



1235610044

Doc#: 1235610044 Fee: \$274.00  
Karen A. Yarbrough RHSP Fee: \$10.00  
Cook County Recorder of Deeds  
Date: 12/21/2012 04:14 PM Pg: 1 of 119

83RD/STEWART  
REDEVELOPMENT PROJECT AREA

AMENDED AND RESTATED  
W2005 CMK REALTY, L.L.C.  
REDEVELOPMENT AGREEMENT

BY AND BETWEEN

THE CITY OF CHICAGO

AND

W2005 CMK Realty, L.L.C.  
a Delaware Limited Liability Company

This agreement was prepared by  
and after recording return to:  
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## LIST OF EXHIBITS

Exhibit A	*Redevelopment Area
Exhibit B	*Property
Exhibit B-1	Road Work Description
Exhibit C	*TIF-Funded Improvements
Exhibit D	Redevelopment Plan
Exhibit E	Construction Contract
Exhibit F	Escrow Agreement [Intentionally Omitted]
Exhibit G	*Permitted Liens
Exhibit H-1	*Project Budget
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Exhibit I	Approved Prior Expenditures
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Exhibit M-1	*Form of City Note A
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Exhibit M-4	*Form of City Note 1
Exhibit M-5	*Form of City Note C
Exhibit N	Form of Subordination Agreement
Exhibit O	Form of Payment Bond

(An asterisk(\*) indicates which exhibits are to be recorded.)

This agreement was prepared by  
and after recording return to:  
Judith A. El-Amin, Esq.  
City of Chicago Law Department  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

**AMENDED AND RESTATED  
W2005 CMK REALTY, L.L.C. REDEVELOPMENT AGREEMENT**

This Amended and Restated W2005 CMK Realty, L.L.C. Redevelopment Agreement ("**Agreement**") is made as of this 21<sup>ST</sup> day of December 2012, by and between the City of Chicago, an Illinois municipal corporation (the "**City**"), through its Department of Housing and Economic Development ("**HED**"), and W2005 CMK Realty, L.L.C., a Delaware limited liability company (the "**Developer**"), amends and restates that certain W2005 CMK Realty, L.L.C. Redevelopment Agreement (the "**Original RDA**") dated February 22, 2006 and recorded in the Office of the Cook County Recorder of Deeds, (the "**Recorder's Office**") on February 23, 2006 as document number 0605410032, as amended by that certain First Amendment to the Original RDA (the "**First Amendment**") dated June 11, 2008 and recorded in the Recorder's Office on November 14, 2008 as document number 0831939017, as amended by the Second Amendment to the Original RDA (the "**Second Amendment**"), dated January 18, 2011 and recorded in the Recorder's Office on January 26, 2011 as document number 1102644043 (the "**Second Amendment**") (the Original RDA, the First Amendment and the Second Amendment are collectively referred to herein as, the "**Original Agreement**").

**RECITALS**

**A. Constitutional Authority:** As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "**State**"), the City has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

**B. Statutory Authority:** The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the “**Act**”), to finance projects that eradicate blighted conditions and conservation area factors through the use of tax increment allocation financing for redevelopment projects.

**C. City Council Authority:** To induce redevelopment pursuant to the Act, the City Council of the City (the “**City Council**”) adopted the following ordinances on March 31, 2004: (1) “An Ordinance of the City of Chicago, Illinois Approving a Redevelopment Plan for the 83rd/Stewart Redevelopment Project Area”; (2) “An Ordinance of the City of Chicago, Illinois Designating the 83rd/Stewart Redevelopment Project Area as a Redevelopment Project Area Pursuant to the Tax Increment Allocation Redevelopment Act”; and (3) “An Ordinance of the City of Chicago, Illinois Adopting Tax Increment Allocation Financing for the 83rd/Stewart Redevelopment Project Area” (the “**TIF Adoption Ordinance**”) (items(1)-(3) collectively referred to herein as the “**TIF Ordinances**”). The redevelopment project area referred to above (the “**Redevelopment Area**”) is legally described in **Exhibit A** hereto.

**D. The Project:** The Developer has purchased (the “**Acquisition**”) certain property located within the Redevelopment Area at 83rd Street and Stewart Avenue, Chicago, Illinois 60620 and legally described on **Exhibit B** hereto (the “**Property**”), and, within the time frames set forth in **Section 3.01** hereof, commenced and shall complete environmental remediation of the Property and shall construct or cause to be constructed the following (which shall be collectively referred to herein as the “**Facility**”): an approximately 362,000 square foot retail shopping center anchored by an approximately 170,000 square foot home improvement retailer (including an outdoor garden center) and an approximately 156,00 square foot discount retailer and grocer (the “**Anchor Stores**”) all as depicted in PD No. 966, as defined in **Recital E** hereof. The Developer shall construct and lease retail improvements on some lots and prepare other lots for sale to other retailers, who will construct their own improvements. Upon completion, a portion of the Project will be owned by the Developer, and a portion of the retail space will be owned and operated by the Anchor Stores and other retailers. The Developer, in addition to all private on-site roadways and utilities, will be responsible for completing the design and construction (public utilities, roads, curbs, gutters, pavement, sidewalks) of certain public improvements described on **Exhibit B-1** hereto (collectively referred to herein as the “**Road Work**”). The Facility, related improvements (including but not limited to those TIF-Funded Improvements as defined below and set forth on **Exhibit C**), the Road Work and the environmental remediation of the Property are collectively referred to herein as the “**Project**.” The construction of the Project could not reasonably be anticipated without the financing contemplated in this Agreement.

**E. Redevelopment Plan:** The Project will be carried out in accordance with this Agreement, the City of Chicago 83rd/Stewart Tax Increment Financing Redevelopment Plan and Project dated October 22, 2003 and revised January 13, 2004 (the “**Redevelopment Plan**”) attached hereto as Exhibit D, as amended from time-to-time, and Planned Development No. 966 (“**PD No. 966**”) approved by the City Council on September 29, 2004.

**F. City Financing:** The City agrees to use, in the amounts set forth in **Section 4.03** hereof, (i) the proceeds of the City Notes (defined below) and/or (ii) Incremental Taxes (as defined below), to pay for or reimburse the Developer for the costs of TIF-Funded Improvements pursuant to the terms and conditions of this Agreement and the City Notes.

Now, therefore, in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

## **SECTION 1**

### **RECITALS**

The foregoing recitals are hereby incorporated into this agreement by reference.

## **SECTION 2**

### **DEFINITIONS**

For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

**"83rd/Stewart Redevelopment Project Area TIF Fund"** shall mean the special tax allocation fund created by the City in connection with the Redevelopment Area into which the Incremental Taxes will be deposited.

**"Act"** shall have the meaning set forth in **Recital B** hereof.

**"Acquisition"** shall have the meaning set forth in **Recital D** hereof.

**"Administrative Fee"** shall mean costs incurred by the City for the administration and monitoring of the Redevelopment Area, including the Project.

**"Affiliate"** shall mean any person or entity directly or indirectly controlling, controlled by or under common control with the Developer.

**"Anchor Stores"** shall have the meaning set forth in **Recital D** hereof.

**"Average Minimum Occupancy"** shall have the meaning set forth in **Section 8.06** hereof.

**"Certificate"** shall have the meaning set forth in **Section 7.01** hereof.

**"Certificate of Expenditure"** shall mean any Certificate of Expenditure referenced in the City Notes pursuant to which the principal amount of the City Notes will be established.

**"Change Order"** shall mean any amendment or modification to the Plans and Specifications or the Project Budget as described in **Section 3.02**, **Section 3.03** and **Section 3.04**, respectively.

**"Chatham Ridge Funds"** shall have the meaning set forth in **Section 4.03(e)** hereof.

**“Chief Financial Officer”** shall mean the person duly appointed and serving as the Chief Financial Officer of the City, or if no such person has been appointed, then the City Comptroller.

**“City Council”** shall have the meaning set forth in **Recital C** hereof.

**“City Funds”** shall mean the funds paid to the Developer as described in **Section 4.03(b)** hereof.

**“City Note”** shall mean any City Note authorized and outstanding pursuant to **Section 4.03(b)** herein.

**“City Note 1”** shall mean the tax-exempt City of Chicago Tax Increment Allocation Revenue Note (83rd/Stewart Redevelopment Project Area), Tax-Exempt Series 20\_\_, to be in the form attached hereto as **Exhibit M-4**, in a maximum principal amount of \$12,000,000 issued by the City to the Developer on a date designated by the Developer but in no event later than 36 months following the issuance of the Final Completion Certificate, bearing interest at the City Note 1 Interest Rate, and as more fully described in **Section 4.03** hereof. The Developer shall have the right to establish the amount of City Note 1 as up to \$12,000,000 and said amount shall be established based on the projected cash flow attributable to Incremental Taxes, discounted to present value using a discount rate equal to the City Note 1 Interest Rate, and using a ratio of discounted projected cash flow attributable to Incremental Taxes to principal and interest payments on City Note 1 or no less than 1.20 or higher as determined by an underwriter, William Blair or another investment bank acceptable to the City.

**“City Note A”** shall mean that certain taxable City of Chicago Tax Increment Allocation Revenue Note (83rd/Stewart Redevelopment Project Area), Taxable Series 2006, issued by the City to the Developer on the Closing Date of the Original RDA, in the form attached hereto as **Exhibit M-1**, in a maximum principal amount of \$24,287,000, as more fully described in **Section 4.03** hereof.

**“City Note B”** shall mean the tax-exempt City of Chicago Tax Increment Allocation Revenue Note (83rd/Stewart Redevelopment Project Area), Tax-Exempt Series 20\_\_B, to be in the form attached hereto as **Exhibit M-3**, in the maximum principal amount of \$1,500,000 (or, in the event the amount of City Note 1 is established as less than \$12,000,000, then in the principal amount representing the difference between \$13,500,000 and the amount of City Note 1) issued by the City to the Developer as herein set forth on a date designated by Developer but in no event later than 36 months following the issuance of the Final Completion Certificate, bearing interest at the City Note B Interest Rate, and as more fully described in **Section 4.03** hereof.

**“City Note C”** shall mean the taxable City of Chicago Tax Increment Allocation Revenue Note (83rd/Stewart Redevelopment Project Area), Taxable Series 20\_\_C, to be in the form attached hereto as **Exhibit M-5**, in the maximum principal amount of: (i) \$1,500,000 or (ii) that amount which, together with City Note 1 and City Note B brings the aggregate principal amount of the Developer’s TIF assistance (exclusive of the Chatham Ridge Funds of \$1,100,000 and the pay-as-you go assistance of up to \$10,000,000) to \$15,000,000, issued by the City to the Developer as herein set forth on a date designated by Developer but in no event later than 36 months following the issuance of the Final Completion Certificate, bearing interest at the City Note C Interest Rate, and as more fully described in **Section 4.03** hereof.

**"City Note 1 Interest Rate"** shall mean an annual rate equal to the median value of the BAA (municipal market data) G.O. Bond rate (20 year) as published by Thomson-Reuters Municipal Market Data for 15 business days before City Note 1 is issued plus 250 basis points, but in no event exceeding eight percent (8.00%) per annum.

**"City Note A Interest Rate"** shall mean an annual rate equal to the median value of the 10-year Treasury rate published in the daily Federal Reserve Release for 15 business days prior to the date of issuance of City Note A plus 300 basis points, but in no event exceeding 9.0 percent.

**"City Note B Interest Rate"** shall mean an annual rate equal to the median value of the BAA (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data for 15 business days before City Note B is issued plus 250 basis points, but in no event exceeding eight percent (8.00%) per annum.

**"City Note C Interest Rate"** shall mean an annual interest rate equal to the median value of the Corporate BBB Bond Index Rate (20-year) as published by Bloomberg on the last business day prior to the date of issuance of City Note C plus 175 basis points, but in no event exceeding eight and one-half percent (8.5%) per annum.

**"Closing Date"** shall mean the date of execution and delivery of this Agreement by all parties hereto, which shall be deemed to be the date appearing in the first paragraph of this Agreement.

**"Commissioner"** shall mean the Commissioner of the City's Department of Housing and Economic Development.

**"Construction Contract"** shall collectively mean the following: (i) those certain contracts entered into between the Developer and the Demolition/Environmental Remediation Contractor in the form attached hereto as **Exhibit E**; (ii) that certain contract entered into between the Developer and the Road Work Contractor to be delivered to HED after the Closing Date of the Original RDA; and (iii) that certain contract entered into between the Developer and the Facility Contractor to be delivered to HED after the Closing Date of the Original RDA.

**"Corporation Counsel"** shall mean the City's Office of Corporation Counsel.

**"Demolition Contract"** shall mean that certain contract entered into between the Developer and Brandenburg Industrial Service Company, an Illinois corporation, in the form attached hereto as **Exhibit E**, providing demolition services for the Project.

**"Employer(s)"** shall have the meaning set forth in **Section 10** hereof.

**"Environmental Laws"** shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U.S.C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii)

the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Chicago (as defined below), including but not limited to the Municipal Code of Chicago, Section 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560..

**“Environmental Remediation Contract”** shall mean that certain contract entered into between the Developer and Brandenburg Industrial Service Company, an Illinois corporation, in the form attached hereto as **Exhibit E**, providing environmental remediation for the Project.

**“Equity”** shall mean funds of the Developer (other than funds derived from Lender Financing) irrevocably available for the Project, in the amount set forth in **Section 4.01** hereof, which amount may be increased pursuant to **Section 4.06** (Cost Overruns).

**“Event of Default”** shall have the meaning set forth in **Section 15** hereof.

**“Excess Incremental Taxes”** shall mean 95% of all Incremental Taxes.

**“Existing Mortgage”** shall have the meaning set forth in **Section 16** hereof.

**“Facility”** shall have the meaning set forth in **Recital D** hereof.

**“Final Completion Certificate”** shall mean the certificate of completion that the City may issue with respect to completion of the Secondary Improvements as further described in **Section 7.01** hereof.

**“Financial Statements”** shall mean complete reviewed and reported financial statements of the Developer prepared by a certified public accountant in accordance with generally accepted accounting principles and practices consistently applied throughout the appropriate periods.

**“General Contractor”** shall collectively mean the following: (i) Brandenburg Industrial Service Company, an Illinois corporation (**“Demolition/Environmental Remediation Contractor”**), contracted to provide demolition and environmental remediation services; (ii) an entity, subject to approval by the Commissioner after the Closing Date of the Original RDA, that will construct the Road Work (the **“Road Work Contractor”**); and (iii) an entity, subject to approval by the Commissioner after the Closing Date of the Original RDA, that will construct the Facility (the **“Facility Contractor”**).

**“Hazardous Materials”** shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

**“Human Rights Ordinance”** shall have the meaning set forth in **Section 10** hereof.

**“Incremental Taxes”** shall mean such ad valorem taxes which, pursuant to the TIF Adoption Ordinance and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Treasurer of the City of Chicago for deposit by the Treasurer into the 83rd/Stewart Redevelopment

Project Area Special Tax Allocation Fund established to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

**"Indemnitees"** shall have the meaning set forth in Section 13.01 hereof.

**"Initial Improvements"** shall mean the leasing or sale, completion of construction and/or occupancy of the first Anchor Store of approximately 170,000 square feet and the completion of construction, execution of leases and pending occupancy of an additional 18,000 square feet of space.

**"Initial Completion Certificate"** shall mean the certificate of completion that the City may issue with respect to completion of the Initial Improvements pursuant to Section 7.01 hereof.

**"Lender Financing"** shall mean funds borrowed by the Developer from lenders and irrevocably available to pay for Costs of the Project, in the amount set forth in Section 4.01 hereof.

**"Lock-Out Period"** shall mean the period which is three (3) years following the issuance of the Final Completion Certificate.

**"Lock-Out Period Commencement Date"** shall mean the date of the issuance of the Final Completion Certificate.

**"Maximum Cure Period"** shall have the meaning set forth in Section 15.04(a) hereof.

**"MBE(s)"** shall mean a business which, as of the date that it enters into a contract relating to the Project, is identified in the Directory of Certified Minority Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a minority-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

**"MBE/WBE Budget"** shall mean the budget attached hereto as Exhibit H-2, as described in Section 10.03.

**"Minimum Occupancy"** as used in Section 8.06 hereof, shall mean the leasing or sale and occupancy of not less than 70 percent of the net leasable square footage of that portion of the Initial and Secondary Improvements owned and controlled by the Developer.

**"Municipal Code"** shall mean the Municipal Code of the City of Chicago.

**"New Mortgage"** shall have the meaning set forth in Section 16 hereof.

**"Non-Governmental Charges"** shall mean all non-governmental charges, liens, claims, or encumbrances relating to the Developer, the Property or the Project.

**"Occupancy Default"** shall have the meaning set forth in Section 15.04 hereof.

**"Occupancy Report"** shall have the meaning set forth in Section 8.06 hereof.

**"Other Developer Funds"** shall mean the proceeds of the Environmental Escrow, the Land and Building Sale Proceeds and construction costs incurred in connection with the Initial Improvements and the Secondary Improvements as set forth in **Section 4.01** hereof.

**"Other Notes"** shall mean obligations issued to developers in the Redevelopment Area, other than the Developer, to finance Other Projects.

**"Other Projects"** shall mean projects in the Redevelopment Area, other than the Project.

**"PD No. 966"** shall have the meaning set forth in **Recital E**.

**"Pay-as-You-Go Payments"** shall mean payments of Excess Incremental Taxes to the Developer each year for the Term of the Agreement (as well as any Excess Incremental Taxes generated in the last year of the Redevelopment Plan but not otherwise payable and received by the City until the following year) if and to the extent available after payments of Incremental Taxes have been made to the Developer on, as applicable, City Note A and City Note 1, as well as City Note B and City Note C (as detailed in Section 4.03(d)(iii)); provided, however, that the aggregate principal amount of City Note 1, City Note B, City Note C, the Chatham Ridge Funds, and Pay-as-You Go Payments shall not exceed the lesser of (a) the amount of certified TIF-Funded Improvements, (b) \$26,100,000 and (c) 31.86% of the Project Budget. The total amount of Pay-as-You Go Payments shall be \$10,000,000 and shall include any monies paid to Developer from Incremental Taxes on account as of the date of this Agreement in the 83rd/Stewart Redevelopment Project Area Special Tax Allocation Fund.

**"Permitted Liens"** shall mean those liens and encumbrances against the Property and/or the Project set forth on **Exhibit G** hereto.

**"Permitted Mortgage"** shall have the meaning set forth in **Section 16** hereof.

**"Plans and Specifications"** shall mean final construction documents containing a site plan and working drawings and specifications for the Project, as submitted to the City as the basis for obtaining building permits for the Project.

**"Prior Expenditure(s)"** shall have the meaning set forth in **Section 4.04(a)** hereof.

**"Project"** shall have the meaning set forth in **Recital D** hereof.

**"Project Budget"** shall mean the budget attached hereto as **Exhibit H-1**, showing the total cost of the Project by line item, furnished by the Developer to HED, in accordance with **Section 3.03** hereof.

**"Property"** shall have the meaning set forth in **Recital D** and **Exhibit B** hereof.

**"Qualified Investor"** shall mean a qualified institutional buyer (QIB) or a registered investment company.

**"Qualified Transfer"** shall mean (i) a pledge of any City Note(s) authorized hereunder to a lender providing financing or (ii) the sale of any such City Note(s) to a Qualified Investor or to a trust where certificates of participation are sold to Qualified Investors after the Lock-Out Period

Commencement Date, or (iii) any other such sale or pledge as is reasonably acceptable to the Commissioner.

**"Receipt Date"** shall have the meaning set forth in **Section 15.04** hereof.

**"Redevelopment Area"** shall have the meaning set forth in **Recital C** hereof.

**"Redevelopment Plan"** shall have the meaning set forth in **Recital E** hereof.

**"Redevelopment Project Costs"** shall mean redevelopment project costs as defined in Section 5/11-74.4-3(q) of the Act that are included in the budget set forth in the Redevelopment Plan or otherwise referenced in the Redevelopment Plan.

**"Requisition Form"** shall mean the document, in the form attached hereto as **Exhibit L**, to be delivered by the Developer to HED pursuant to **Section 4.03(g)** of this Agreement.

**"Road Work"** shall have the meaning set forth in **Recital D** hereof.

**"Scope Drawings"** shall mean preliminary construction documents containing a site plan and preliminary drawings and specifications for the Project.

**"Secondary Improvements"** shall mean the completion of construction and leasing/sale of at least 90% of the Project (362,000 square feet of improvements \* 90% equals 325,000 square feet of improvements), including the Initial Improvements.

**"Survey"** shall mean a Class A plat of survey in the most recently revised form of ALTA/ACSM land title survey of the Property dated within 45 days prior to the Closing Date of the Original RDA, acceptable in form and content to the City and the Title Company, prepared by a surveyor registered in the State of Illinois, certified to the City and the Title Company, and indicating whether the Property is in a flood hazard area as identified by the United States Federal Emergency Management Agency (and updates thereof to reflect improvements to the Property in connection with the construction of the Facility and related improvements as required by the City or lender(s) providing Lender Financing).

**"Term of the Agreement"** shall mean the period of time commencing on the Closing Date of the Original RDA and ending on the date on which the Redevelopment Area is no longer in effect (through and including December 31, 2028).

**"TIF Adoption Ordinance"** shall have the meaning set forth in **Recital C** hereof.

**"TIF-Funded Improvements"** shall mean those improvements of the Project which (i) qualify as Redevelopment Project Costs, (ii) are eligible costs under the Redevelopment Plan and (iii) the City has agreed to pay for out of the City Funds, subject to the terms of this Agreement. Exhibit C lists the TIF-Funded Improvements for the Project.

**"TIF Ordinances"** shall have the meaning set forth in **Recital C** hereof.

**"Title Company"** shall mean First American Title Company.

**"Title Policy"** shall mean a title insurance policy in the most recently revised ALTA or equivalent form, showing the Developer as the insured, noting the recording of this Agreement as an encumbrance against the Property, and a subordination agreement in favor of the City with respect to previously recorded liens against the Property related to Lender Financing, if any, issued by the Title Company.

**"WARN Act"** shall mean the Worker Adjustment and Retraining Notification Act (29 U.S.C. Section 2101 et seq.).

**"WBE(s)"** shall mean a business which, as of the date that it enters into a contract relating to the Project, is identified in the Directory of Certified Women Business Enterprises published by the City's Department of Procurement Services, or otherwise certified by the City's Department of Procurement Services as a women-owned business enterprise, related to the Procurement Program or the Construction Program, as applicable.

### **SECTION 3**

#### **THE PROJECT**

**3.01 The Project.** With respect to the Facility, the Developer, pursuant to the Plans and Specifications and subject to the provisions of **Section 18.17** hereof: (i) has commenced construction of the Initial Improvements; and (ii) shall cause construction of the Initial Improvements and the Secondary Improvements to be completed no later than December 1, 2013.

**3.02 Scope Drawings and Plans and Specifications.** The Developer has delivered, and HED has approved, the Scope Drawings. The Developer has delivered to HED the Plans and Specifications for the Road Work for approval. After the Closing Date of the Original RDA, the Developer has delivered to HED the Plans and Specifications for the Facility. Any subsequent proposed changes to the Scope Drawings or Plans and Specifications shall be submitted to HED as a Change Order pursuant to **Section 3.04** hereof. The Scope Drawings and Plans and Specifications shall at all times conform to the Redevelopment Plan and all applicable federal, state and local laws, ordinances and regulations. The Developer shall submit all necessary documents to the City's Building Department, Department of Transportation and such other City departments or governmental authorities as may be necessary to acquire building permits and other required approvals for the Project.

**3.03 Project Budget.** The Developer has furnished to HED, and HED has approved, a Project Budget showing total costs for the Project in an amount not less than Eighty-One Million Nine Hundred Thirty-Three Thousand Dollars (\$81,933,000). The Developer hereby certifies to the City that (a) the City Funds, together with Lender Financing, Equity and Other Developer Funds described in **Section 4.01** hereof, shall be sufficient to complete the Project; and (b) the Project Budget is true, correct and complete in all material respects. The Developer shall promptly deliver to HED certified copies of any Change Orders with respect to the Project Budget for approval pursuant to **Section 3.04** hereof.

**3.04 Change Orders.** Any Change Orders that individually or in the aggregate (a) permanently decrease the Project Budget by more than five percent (5%), (b) reduce the net rentable square footage of the Project by more than five percent (5%), or (c) change the basic uses

of the Project must be submitted by the Developer to HED for HED's prior written approval. HED will attempt to expeditiously review any such Change Order request and approve or disapprove (with a brief written explanation given of any disapproval) such proposed Change Order within thirty (30) days of its receipt thereof. Subject to the next sentence, HED's failure to respond to a proposed Change Order described in preceding clauses (a) or (b) within such time period shall be deemed to be an approval. In order for such deemed approval provision to be operative, the written change order request shall state in all boldface, capitalized type: "THIS CHANGE ORDER SEEKS AN APPROVAL FROM HED WHICH, IF NOT APPROVED OR DISAPPROVED WITHIN 30 DAYS OF HED'S RECEIPT, SHALL RESULT IN THE DEEMED APPROVAL OF THE CHANGE REQUESTED." The Developer shall not authorize nor permit the performance of any work relating to the Change Order described in the preceding clauses (a), (b) or (c) or the furnishing of materials in connection therewith prior to the receipt of HED's written approval, or HED's deemed approval. The Construction Contract and each contract between the General Contractor and any subcontractor shall contain a provision to this effect. An approved Change Order shall not be deemed to imply an obligation on the part of the City to increase the amount of City Funds payable pursuant to this Agreement or provide any other funding.

**3.05 HED Approval.** Any approval granted by HED of the Plans and Specifications and the Change Orders is for the purposes of this Agreement only and does not affect or constitute any approval required by any other City department or pursuant to any City ordinance, code, regulation or any other governmental approval, nor does any approval by HED pursuant to this Agreement constitute approval of the quality, structural soundness or safety of the Property or the Project.

**3.06 Other Approvals.** Any HED approval under this Agreement shall have no effect upon, nor shall it operate as a waiver of, the Developer's obligations to comply with the provisions of **Section 5.03** (Other Governmental Approvals) hereof. The Developer shall not commence construction of the Project until the Developer has obtained all necessary permits and approvals (including but not limited to HED's approval of the Plans and Specifications) and proof of the General Contractor's and each subcontractor's bonding as required hereunder.

**3.07 Progress Reports and Survey Updates.** The Developer shall provide HED with written quarterly progress reports detailing the status of the Project, including a revised completion date, if necessary (with any change in completion date being considered a Change Order, requiring HED's written approval pursuant to Section 3.04). The Developer shall provide three (3) copies of an updated Survey to HED upon the request of HED or any lender providing Lender Financing, reflecting improvements made to the Property.

**3.08 Inspecting Agent or Architect.** An independent agent or architect (other than the Developer's architect) approved by HED shall be selected to act as the inspecting agent or architect, at the Developer's expense, for the Project. The inspecting agent or architect shall perform periodic inspections with respect to the Project, providing certifications with respect thereto to HED, prior to requests for disbursement for costs related to the Project. At the Developer's option, the inspecting architect may be the inspecting architect engaged by any lender providing Lender Financing for the Project, provided that said architect is an independent architect licensed by the State of Illinois.

**3.09 Barricades.** Prior to commencing any construction requiring barricades, the Developer shall install a construction barricade of a type and appearance satisfactory to the City and constructed in compliance with all applicable federal, state or City laws, ordinances and regulations.

HED retains the right to approve the maintenance, appearance, color scheme, painting, nature, type, content and design of all barricades.

3.10 **Signs and Public Relations.** The Developer shall erect a sign of size and style approved by the City in a conspicuous location on the Property during the Project, indicating that financing has been provided by the City. The City reserves the right to include the name, photograph, artistic rendering of the Project and other pertinent information regarding the Developer, the Property and the Project in the City's promotional literature and communications.

3.11 **Utility Connections.** The Developer may connect all on-site water, sanitary, storm and sewer lines constructed on the Property to City utility lines existing on or near the perimeter of the Property, provided the Developer first complies with all City requirements governing such connections, including the payment of customary fees and costs related thereto.

3.12 **Permit Fees.** In connection with the Project, the Developer shall be obligated to pay only those building, permit, engineering, tap on and inspection fees that are assessed on a uniform basis throughout the City and are of general applicability to other property within the City.

## SECTION 4

### FINANCING

4.01 **Total Project Cost and Sources of Funds.** The cost of the Project is estimated to be \$81,933,000, to be applied in the manner set forth in the Project Budget. Such costs shall be funded from the following sources:

Equity (subject to <u>Section 4.05</u> )	\$ 6,000,000
Environmental Escrow	3,500,000
Land and Building Sale Proceeds	19,300,000
Anchor Construction	36,000,000
Construction Financing	<u>17,133,000</u>
 ESTIMATED TOTAL	 <b>\$81,933,000</b>

4.02 **Developer Funds.** Equity and/or Lender Financing and/or Other Developer Funds may be used to pay any Project cost, including but not limited to Redevelopment Project Costs.

4.03 **City Funds.** The City will provide up to a maximum amount of \$26,100,000 to the Developer. This sum consists of \$1,100,000 of Chatham Ridge Funds, up to \$12,000,000 in City Note 1, up to \$1,500,000 in City Note B, up to \$1,500,000 in City Note C and up to \$10,000,000 of Pay-as-You-Go Payments from Excess Incremental Taxes.

- (a) **Uses of City Funds.** City Funds may only be used to pay directly or reimburse the Developer for costs of TIF-Funded Improvements that constitute Redevelopment Project Costs. Exhibit C sets forth, by line item, the TIF-Funded Improvements for the Project, and the estimated amount of costs that may be paid by or reimbursed from City Funds for each line item therein (subject to Sections 4.03(c) and 4.05).

contingent upon receipt by the City of documentation satisfactory in form and substance to HED evidencing such cost and its eligibility as a Redevelopment Project Cost. City Funds shall not be paid to the Developer hereunder prior to the issuance of the applicable Certificate.

- (b) Sources of City Funds. Subject to the terms and conditions of this Agreement, including but not limited to this **Section 4.03** and **Section 5** hereof, the City hereby agrees to reimburse the Developer for TIF-Funded Improvements (including \$1,100,000 of the Chatham Ridge Funds and Pay-as-You-Go Payments) in an amount not to exceed the lesser of (i) Twenty-Six Million, One Hundred Thousand Dollars (\$26,100,000) or (ii) 31.86% of Project Budget. The City's financial commitment will be as follows:
- (i) City Note A. The City issued taxable City Note A to the Developer on the Closing Date of the Original RDA in an initial principal amount not to exceed the lesser of Twenty-Four Million, Two Hundred Eighty-Seven Thousand Dollars (\$24,287,000) or an amount equal to the costs of the TIF-eligible expenses which have been incurred by the Developer by the Closing Date of the Original RDA, as evidenced by a Certificate of Expenditure issued by the City. After the initial issuance of City Note A, if the principal balance of City Note A is less than \$24,287,000, then the principal balance of City Note A will be increased when the City issues additional Certificate(s) of Expenditure up to a maximum of \$24,287,000. TIF-eligible costs will be certified to City Note A on the Closing Date of the Original RDA and on a quarterly basis thereafter.
  - (ii) On the Closing Date, payment to the Developer of any monies from Incremental Taxes on account as of the date of this Agreement.
  - (iii) Intentionally Deleted.
  - (iv) Within 36 months following the issuance of the Final Completion Certificate, the City, upon the Developer's request, shall issue City Notes 1, B and C to the Developer for the purpose of refunding City Note A. The City Notes shall be in the amounts set forth in Section 2 and as otherwise determined by William Blair & Company, LLC (or another underwriter acceptable to the City), not to exceed \$15,000,000 in aggregate (and not to exceed the TIF-eligible expenses incurred by the Developer). City also will provide up to Ten Million (\$10,000,000) to the Developer in the form of Pay-as-You-Go Payments.
  - (v) Interest on City Note 1 will accrue at the City Note 1 Interest Rate upon its issuance and will compound annually. Payments of principal and interest on City Note 1 shall be made in accordance with a debt service schedule attached to City Note 1; provided, however, payments under City Note 1 are subject to the amount of Incremental Taxes deposited into the 83<sup>rd</sup>/Stewart Redevelopment Project Area TIF Fund being sufficient for such payments. The City, without the Developer's consent, may not prepay City Note 1 until the expiration of the Lock-Out-Period. The Developer may sell City Note 1 at

anytime after issuance of the same, but only pursuant to a Qualified Transfer. Notwithstanding anything to the contrary contained in the Agreement, upon the occurrence of any Event of Default, payment of principal and interest on City Note 1 shall not be suspended or terminated.

- (vi) Interest on City Note B will accrue at the City Note B Interest Rate from its date of issuance and will compound annually. Payments of principal and interest on City Note B shall be made in accordance with a debt service schedule attached to City Note B, provided, however, payments under City Note B are subject to the amount of Incremental Taxes deposited into the 83<sup>rd</sup>/Stewart Redevelopment Project Area TIF Fund being sufficient for such payments. The City, without the Developer's consent, may not prepay City Note B until the expiration of the Lock-Out-Period. The Developer may sell City Note B at anytime after issuance of the same, but only to a Qualified Investor with no view to resale and pursuant to an acceptable investment letter or in a manner otherwise reasonably acceptable to the City. Notwithstanding anything to the contrary contained in the Agreement, upon the occurrence of an Event of Default and/or an Occupancy Default which constitutes an Event of Default, payments of principal and interest on City Note B shall not be suspended or terminated.
- (vii) Interest on City Note C will accrue at the City Note C Interest Rate from its date of issuance and will compound annually. Payments of principal and interest on City Note C shall be made in accordance with a debt service schedule attached to City Note C, provided, however, payments under City Note C are subject to the amount of Incremental Taxes deposited into the 83<sup>rd</sup>/Stewart Redevelopment Project Area TIF Fund being sufficient for such payments. The City, without the Developer's consent, may not prepay City Note C until the expiration of the Lock-Out-Period. The Developer may sell City Note C at anytime after issuance of the same, but only to a Qualified Investor with no view to resale and pursuant to an acceptable investment letter or in a manner otherwise reasonably acceptable to the City. Upon the occurrence of an Event of Default and/or an Occupancy Default which constitutes an Event of Default, payments of principal and interest on City Note C may be suspended or terminated.
- (c) Road Work Reimbursement. The City will also reimburse the Developer (separate from the City Funds) an amount not to exceed One Million One Hundred Thousand Dollars (\$1,100,000), from proceeds of the City's Tax Increment Allocation Bonds (Chatham Ridge Redevelopment Project) Series 2002 ("**Chatham Ridge Funds**"), for the portion of the Road Work relating to 85th Street. Reimbursement is contingent on the Developer obtaining all necessary permits and approvals, as well as the sign-off by affected departments' inspecting engineers upon completion of the work and reimbursement shall be made within sixty (60) days thereafter.
- (d) Priority of TIF Funds.
  - (i) Subject to the availability of Excess Incremental Taxes (as detailed in Section 4.03(d)(iii) below), upon the issuance of the Final Completion

Certificate, Pay-as-You-Go Payments shall be paid to the Developer on the Closing Date up to the amount of Incremental Taxes on account as of the date of this Agreement and thereafter annually for the Term of this Agreement up to an aggregate amount (including the Closing Date Pay-as-You-Go Payment) not to exceed \$10,000,000. Notwithstanding anything to the contrary contained in the Agreement, upon the occurrence of an Event of Default and/or Occupancy Default which constitutes an Event of Default, the City shall be permitted to suspend the Pay-as-You-Go Payments to the Developer contemplated herein until such Event of Default of Occupancy has been cured. Notwithstanding anything to the contrary contained herein, in the event City Notes 1, B and C are not issued within the period of 36 months following issuance of the Final Completion Certificate, the City's obligations with respect to payment of Incremental Taxes under City Note A and the Pay-as-You Go Payments shall be limited to sums which in the aggregate do not exceed \$24,287,000.

- (ii) Where the City has issued Other Notes to finance Other Projects, 80 percent of the increment generated from the parcels on which such Other Projects are located shall be available to make payments on such Other Notes (less an allocable portion of the City's Administrative Fee); provided however, where no Other Notes have been issued by the City in connection with any Other Projects, all Incremental Taxes which are generated from the parcels in which such Other Projects are located shall be otherwise available to satisfy the financial obligations of the City under this **Section 4.03**, as provided for herein.
- (iii) Subject to the immediately preceding section, below is a summary of the relative priority of annual payments to the financial obligations presented above from Incremental Taxes:

- First Call (1st): Payment of scheduled debt service for City Note A, and, when issued, City Note 1 on 100% of Incremental Taxes;
- Second Call (2nd): City's Administrative Fee; 5% of area-wide Incremental Taxes;
- Third Call (3rd): Payments on Other Notes; up to 80% of increment generated by the applicable project (less any Administrative Fee collected as part of the First and Second Calls);
- Fourth Call (4th): All remaining Excess Incremental Taxes not needed for calls One through Three shall go toward payment of City Note B.
- Fifth Call (5th): All remaining Excess Incremental Taxes not needed for calls One through Four shall go toward payment of City Note C.

Sixth Call (6th): All Excess Incremental Taxes not needed for calls One through Five shall be paid to the Developer in the form of Pay-as-You-Go Payments; provided, however, in no event shall such Pay-as-You-Go Payments exceed \$10,000,000, which includes any payment made on the Closing Date to the Developer.

Notwithstanding anything to the contrary contained herein, in the event City Notes 1, B and C are not issued within the period of 36 months following issuance of the Final Completion Certificate, the City's obligations with respect to payment of Incremental Taxes under City Note A and the Pay-as-You Go Payments shall be limited to sums which in the aggregate do not exceed \$24,287,000.

- (e) Requisition Form. On the date of issuance of the Final Completion Certificate and prior to each November 1 (or such other date as the parties may agree to) thereafter, throughout the earlier of (i) the Term of the Agreement or (ii) the date that the Developer has been reimbursed in full under this Agreement, if applicable, the Developer shall provide HED with a Requisition Form for City Note A and City Note 1 (as the case may be), and City Note B and City Note C, along with the documentation described therein. Requisition for reimbursement of TIF-Funded Improvements shall be made not more than one time per calendar year (or as otherwise permitted by HED).

#### 4.04 Treatment of Prior Expenditures and Subsequent Disbursements.

- (a) Prior Expenditures. Only those expenditures made by the Developer with respect to the Project that occurred prior to the Closing Date of the Original RDA, evidenced by documentation satisfactory to HED and approved by HED as satisfying costs covered in the Project Budget, shall be considered previously contributed Equity or Lender Financing hereunder (the "Prior Expenditures"). HED shall have the right, in its reasonable discretion, to disallow any such expenditure as a Prior Expenditure so long as they do not qualify as TIF-Funded Improvements. Exhibit I hereto sets forth the prior expenditures approved by HED [as of the date hereof] as Prior Expenditures. Prior Expenditures made for items other than TIF-Funded Improvements shall not be reimbursed to the Developer, but shall reduce the amount of Equity and/or Lender Financing required to be contributed by the Developer pursuant to **Section 4.01** hereof.
- (b) Administrative Fee. Annually, the City may allocate an amount not to exceed five percent (5%) of the Incremental Taxes for payment the Administrative Fee. Such fee shall be in addition to and shall not be deducted from or considered a part of the City Funds, and the City shall have the right to receive such funds in the priority set forth in **Section 4.03(f)**.
- (c) Allocation Among Line Items. Disbursements for expenditures related to TIF-Funded Improvements may be allocated to and charged against the appropriate line and transfers of costs and expenses from one line item to another shall be permitted subject to the terms of **Section 3.04**. HED shall not unreasonably withhold its

consent to such transfers so long as the Corporation Counsel has advised HED that an expenditure qualifies as an eligible cost under the Act.

- (d) Allocation of Costs With Respect To Sources of Funds.
- (i) Disbursement of Equity. Each amount paid pursuant to this Agreement, whether for TIF-Funded Improvements or otherwise, shall be charged first to Equity.
  - (ii) Disbursement of Lender Financing and Other Developer Funds. After there is no Equity remaining, each amount paid pursuant to this Agreement, whether for TIF-Funded Improvements or otherwise, shall be charged to Lender Financing and Other Developer Funds.
  - (iii) Disbursement of City Funds. After there is no Equity, Lender Financing or Other Developer Funds remaining, each amount paid pursuant to this Agreement shall be charged to City Funds, to be used to directly pay for, or reimburse the Developer for its previous payment for (out of Equity or Lender Financing) TIF-Funded Improvements; provided that costs of TIF-Funded Improvements that are to be paid from City Funds derived from (1) Incremental Taxes on deposit from time to time in the 83rd/Stewart Redevelopment Project Area TIF Fund, and/or (2) TIF Bond Proceeds, if any, shall be payable by the City only to the extent that such funds are available.

4.05 **Cost Overruns.** If the aggregate cost of the TIF-Funded Improvements exceeds City Funds available pursuant to **Section 4.03** hereof, or if the cost of completing the Project exceeds the Project Budget, the Developer shall be solely responsible for such excess cost, and shall hold the City harmless from any and all costs and expenses of completing the TIF-Funded Improvements in excess of City Funds and of completing the Project.

4.06 **Execution of Certificate of Expenditure.** Prior to each execution of a Certificate of Expenditure by the City if a City Note is issued, the Developer shall submit documentation regarding the applicable expenditures to HED, which shall be satisfactory to HED in its sole discretion. Delivery by the Developer to HED of any request for execution by the City of a Certificate of Expenditure hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the City, as of the date of such request for execution of a Certificate of Expenditure, that:

- (a) the total amount of the request for Certificate of Expenditure represents the actual cost of the Acquisition or the actual amount payable to (or paid to) the General Contractor and/or subcontractors who have performed work on the Project, and/or their payees;
- (b) all amounts shown as previous payments on the current request for Certificate of Expenditure have been paid to the parties entitled to such payment;

- (c) the Developer has approved all work and materials for the current request for Certificate of Expenditure, and such work and materials conform to the Plans and Specifications;
- (d) the representations and warranties contained in this Redevelopment Agreement are true and correct and the Developer is in compliance with all covenants contained herein;
- (e) the Developer has received no notice and has no knowledge of any liens or claim of lien either filed or threatened against the Property except for the Permitted Liens;
- (f) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred; and
- (g) the Project is In Balance. The Project shall be deemed to be in balance (“**In Balance**”) only if the total of the available Project funds equals or exceeds the aggregate of the amount necessary to pay all unpaid Project costs incurred or to be incurred in the completion of the Project. “**Available Project Funds**” as used herein shall mean: (i) the undisbursed City Funds; (ii) the undisbursed Lender Financing, if any; (iii) the undisbursed Equity and (iv) any other amounts deposited by the Developer pursuant to this Agreement. The Developer hereby agrees that, if the Project is not In Balance, the Developer shall, within 10 days after a written request by the City, procure additional lender financing or deposit with an escrow agent or make available (in a manner acceptable to the City) cash in an amount that will place the Project In Balance, which deposit or additional lender financing shall first be exhausted before any further disbursement of the City Funds shall be made.

The City shall have the right, in its discretion, to require the Developer to submit further documentation as the City may require in order to verify that the matters certified to above are true and correct, and any execution of a Certificate of Expenditure by the City shall be subject to the City's review and approval of such documentation and its satisfaction that such certifications are true and correct; provided, however, that nothing in this sentence shall be deemed to prevent the City from relying on such certifications by the Developer. In addition, the Developer shall have satisfied all other preconditions of execution of a Certificate of Expenditure, including but not limited to requirements set forth in the TIF Bond Ordinance, if any, the TIF Bonds, if any, the TIF Ordinances, this Agreement and/or the Escrow Agreement.

**4.07 Cost of Issuance.** The Developer shall be responsible for paying all costs relating to the issuance of the City Notes, including costs relating to the opinion described in **Section 5.09(b)** hereof.

**4.08 Conditional Grant.** The City Funds being provided hereunder are being granted on a conditional basis, subject to the Developer's compliance with the provisions of this Agreement. Certain City Funds are subject to being reimbursed as provided in **Section 15.02** hereof.

## SECTION 5

### CONDITIONS PRECEDENT

The following conditions have been complied with to the City's satisfaction on or prior to the Closing Date :

5.01 **Project Budget.** The Developer has submitted to HED, and HED has approved, a Project Budget in accordance with the provisions of Section 3.03 hereof.

5.02 **Scope Drawings.** The Developer has submitted to HED, and HED has approved, the Scope Drawings in accordance with the provisions of Section 3.02 hereof.

5.03 **Other Governmental Approvals.** The Developer has secured all other necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and has submitted evidence thereof to HED.

5.04 **Financing.** The Developer has furnished proof reasonably acceptable to the City that the Developer has Equity and Lender Financing in the amounts set forth in Section 4.01 hereof to complete the Project and to satisfy its obligations under this Agreement. If a portion of such funds consists of Lender Financing, the Developer has furnished proof as of the Closing Date of the Original RDA that the proceeds thereof are available to be drawn upon by the Developer as needed and are sufficient (along with Equity, Other Developer Funds and the Chatham Ridge Funds set forth in Section 4.01) to complete the Project. The Developer has delivered to HED a copy of the construction escrow agreement entered into by the Developer regarding the Lender Financing. Any liens against the Property in existence at the Closing Date have been subordinated to certain encumbrances of the City set forth herein pursuant to a Subordination Agreement, in a form acceptable to the City, executed on or prior to the Closing Date, which is to be recorded, at the expense of the Developer, with the Office of the Recorder of Deeds of Cook County.

5.05 **Acquisition and Title.** On the Closing Date, the Developer has furnished the City with a copy of the Title Policy or a "marked-up" Title Policy for the Property, certified by the Title Company, showing the Developer as the named insured. The Title Policy is dated as of the Closing Date and contains only those title exceptions listed as Permitted Liens on Exhibit G hereto and evidences the recording of this Agreement pursuant to the provisions of Section 8.18 hereof. The Title Policy also contains such endorsements as shall be required by Corporation Counsel, including but not limited to an owner's comprehensive endorsement and satisfactory endorsements regarding zoning (3.0 with parking), contiguity, location, access and survey. The Developer has provided to HED, on or prior to the Closing Date, documentation related to the purchase of the Property and certified copies of all easements and encumbrances of record with respect to the Property not addressed, to HED's satisfaction, by the Title Policy and any endorsements thereto.

5.06 **Evidence of Clean Title.** The Developer, at its own expense, has provided the City with searches under the Developer's name as follows:

Secretary of State	UCC search
Secretary of State	Federal tax search
Cook County Recorder	UCC search

Cook County Recorder	Fixtures search
Cook County Recorder	Federal tax search
Cook County Recorder	State tax search
Cook County Recorder	Memoranda of judgments search
U.S. District Court	Pending suits and judgments
Clerk of Circuit Court, Cook County	Pending suits and judgments

showing no liens against the Developer, the Property or any fixtures now or hereafter affixed thereto, except for the Permitted Liens.

5.07 **Surveys.** The Developer has furnished the City with three (3) copies of the Survey.

5.08 **Insurance.** The Developer, at its own expense, has insured the Property in accordance with Section 12 hereof, and has delivered certificates required pursuant to **Section 12** hereof evidencing the required coverages to HED.

5.09 **Opinion of the Developer's Counsel.**

- (a) On the Closing Date, the Developer has furnished the City with an opinion of counsel, substantially in the form attached hereto as **Exhibit J**, with such changes as required by or acceptable to Corporation Counsel. If the Developer has engaged special counsel in connection with the Project, and such special counsel is unwilling or unable to give some of the opinions set forth in **Exhibit J** hereto, such opinions were obtained by the Developer from its general corporate counsel.
- (b) On the date of issuance of City Note 1, the City has received an opinion regarding the tax-exempt status and enforceability of City Note 1 from a nationally recognized bond counsel approved by the City, in form and substance acceptable to the Corporation Counsel. The Developer shall pay the expenses of bond counsel relating to the issuance of tax-exempt City Note 1.
- (c) On the date of issuance of City Note B, the City has received an opinion regarding the tax-exempt status and enforceability of City Note B from a nationally recognized bond counsel approved by the City, in form and substance acceptable to the Corporation Counsel. The Developer shall pay the expenses of bond counsel relating to the issuance of tax-exempt City Note B (and City Note C, if applicable).

5.10 **Evidence of Prior Expenditures.** The Developer has provided evidence satisfactory to HED in its sole discretion of the Prior Expenditures in accordance with the provisions of **Section 4.04(a)** hereof.

5.11 **Financial Statements.** The Developer has provided Financial Statements to HED for its most recent available fiscal year, and audited or unaudited interim financial statements.

5.12 **Documentation.** The Developer has provided documentation to HED, satisfactory in form and substance to HED, with respect to current employment matters.

5.13 **Environmental.** The Developer has provided HED with copies of that certain phase I environmental audit completed with respect to the Property [and any phase II environmental audit with respect to the Property required by the City.] The Developer has provided the City with a letter from the environmental engineer(s) who completed such audit(s), authorizing the City to rely on such audit.

5.14 **Corporate Documents; Economic Disclosure Statement.** The Developer has provided a copy of its Articles of Organization containing the original certification of the Secretary of State of its state of organization; certificates of good standing from the Secretary of State of its state of organization and all other states in which the Developer is qualified to do business; a secretary's certificate or similar instrument in such form and substance as the Corporation Counsel may require; operating agreement of the company; and such other organizational documentation as the City has requested. The Developer has provided to the City an Economic Disclosure Statement, in the City's then current form, dated as of the Closing Date.

5.15 **Litigation.** The Developer has provided to Corporation Counsel and HED, a description of all pending or threatened litigation or administrative proceedings involving the Developer, specifying, in each case, the amount of each claim, an estimate of probable liability, the amount of any reserves taken in connection therewith and whether (and to what extent) such potential liability is covered by insurance.

## **SECTION 6**

### **AGREEMENTS WITH CONTRACTORS**

#### **6.01 Bid Requirement for General Contractor and Subcontractors.**

- (a) Except as set forth in **Section 6.01(b)** below, prior to entering into an agreement with a General Contractor or any subcontractor for construction of the Project, the Developer shall solicit, or shall cause the General Contractor to solicit, bids from qualified contractors eligible to do business with the City of Chicago. For the TIF-Funded Improvements, the Developer shall select the General Contractor (or shall cause the General Contractor to select the subcontractor) submitting the lowest responsible bid who can complete the Project in a timely manner. For the TIF-Funded Improvements, if the Developer selects a General Contractor (or the General Contractor selects any subcontractor) submitting other than the lowest responsible bid for the TIF-Funded Improvements, the difference between the lowest responsible bid and the bid selected may not be paid out of City Funds. The Developer shall submit copies of the Construction Contract to HED in accordance with **Section 6.02** below. Photocopies of all subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to HED within five (5) business days of the execution thereof. The Developer shall ensure that the General Contractor shall not (and shall cause the General Contractor to ensure that the subcontractors shall not) begin work on the Project until the Plans and Specifications have been approved by HED and all requisite permits have been obtained.

- (b) If, prior to entering into an agreement with a General Contractor for construction of the Project, the Developer does not solicit bids pursuant to **Section 6.01(a)** hereof, then the fee of the General Contractor proposed to be paid out of City Funds shall not exceed 10% of the total amount of the Construction Contract. Except as explicitly stated in this paragraph, all other provisions of **Section 6.01(a)** shall apply, including but not limited to the requirement that the General Contractor shall solicit competitive bids from all subcontractors.

**6.02 Construction Contract.** The Developer has delivered to HED and HED has approved the Demolition Contract with the Demolition/Environmental Remediation Contractor and the Environmental Remediation Contract with the Demolition/Environmental Remediation Contractor selected to handle the Project in accordance with **Section 6.01** above. The Developer shall deliver to HED any modifications, amendments or supplements thereto. After the Closing Date, the Developer will deliver to HED 5.01.1.1.1 the Road Work contract and 5.01.1.1.2 the Facility contract for HED approval, prior to each phase of such construction.

**6.03 Performance and Payment Bonds.** Prior to the commencement of any portion of the Project which includes work on the public way, the Developer shall require that the General Contractor be bonded for its payment by sureties having an AA rating or better using a bond in the form attached as **Exhibit O** hereto. The City shall be named as obligee or co-obligee on any such bonds.

**6.04 Employment Opportunity.** The Developer shall contractually obligate and cause the General Contractor and each subcontractor to agree to the provisions of **Section 10** hereof.

**6.05 Other Provisions.** In addition to the requirements of this **Section 6**, the Construction Contract and each contract with any subcontractor shall contain provisions required pursuant to **Section 3.04** (Change Orders), **Section 8.09** (Prevailing Wage), **Section 10.01(e)** (Employment Opportunity), **Section 10.02** (City Resident Employment Requirement) **Section 10.03** (MBE/WBE Requirements, as applicable), **Section 12** (Insurance) and **Section 14.01** (Books and Records) hereof. Photocopies of all contracts or subcontracts entered or to be entered into in connection with the TIF-Funded Improvements shall be provided to HED within five (5) business days of the execution thereof.

## **SECTION 7**

### **COMPLETION OF CONSTRUCTION OR REHABILITATION**

**7.01 Certificates of Completion of Construction.** Upon completion of construction of the applicable component of the Project in accordance with the terms of this Agreement, and upon the Developer's written request, HED shall issue to the Developer the Initial Completion Certificate and the Final Completion Certificate (each, a "**Certificate**"), as applicable, all in recordable form certifying that the Developer has fulfilled its obligation to complete the applicable component of the Project in accordance with the terms of this Agreement.

- (a) The Initial Completion Certificate will not be issued until:

- (i) The City has issued a Certificate(s) of Occupancy for the Initial Improvements; and
  - (ii) The Developer has notified the City in writing that the Initial Improvements have been built, completed and occupied as defined in this Agreement; and
  - (iii) The Chicago Department of Transportation (“CDOT”) has issued written confirmation (including by email) indicating that the Developer has completed the Road Work; and
  - (iv) The City’s Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements set forth in **Section 10** and **Section 8.09** (M/WBE, City Residency and Prevailing Wage) with respect to construction of the Initial Improvements, including those constructed by the Anchor Store and the completed portions of the Road Work.
- (b) The Final Completion Certificate will be issued when the following requirements have been met:
- (i) The City has issued an Initial Completion Certificate; and
  - (ii) The Developer demonstrates to the City that the Secondary Improvements have been built and, as applicable, sold or leased; and
  - (iii) CDOT has issued written confirmation (including by email) indicating that the Developer has completed the Road Work; and
  - (iv) The City’s Monitoring and Compliance Unit has verified that the Developer is in full compliance with City requirements set forth in **Section 10** and **Section 8.09** (M/WBE, City Residency and Prevailing Wage) with respect to the construction of the Secondary Improvements, including those improvements constructed by the Anchor Store, and that 100% of the Developer’s MBE/WBE Commitment in **Section 10.03** has been fulfilled; and
  - (v) There exists neither an Event of Default (after any applicable cure period) which is continuing nor a condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default.
- (c) HED shall respond to the Developer’s written request for the applicable Certificate within thirty (30) days by issuing either a Certificate or a written statement detailing the ways in which the Project does not conform to this Agreement or has not been satisfactorily completed, and the measures which must be taken by the Developer in order to obtain the Certificate. The Developer may resubmit a written request for a Certificate upon completion of such measures and the City thereafter shall issue the Certificate within thirty (30) days or send the Developer a written statement which

details the way in which the Project does not conform to the Agreement or has not been satisfactorily completed.

**7.02 Effect of Issuance of Certificate; Continuing Obligations.** Each Certificate relates only to the construction of the applicable component of the Project, and upon its issuance, the City will certify that the terms of the Agreement specifically related to the Developer's obligation to complete such activities have been satisfied. After the issuance of a Certificate, however, all executory terms and conditions of this Agreement and all representations and covenants contained herein will continue to remain in full force and effect throughout the Term of the Agreement as to the parties described in the following paragraph, and the issuance of the Certificate shall not be construed as a waiver by the City of any of its rights and remedies pursuant to such executory terms.

Those covenants specifically described at **Sections 8.02** and **8.06(b)** as covenants that run with the land are the only covenants in this Agreement intended to be binding upon any transferee of the Property (including an assignee as described in the following sentence) throughout the Term of the Agreement notwithstanding the issuance of a Certificate; provided, that upon the issuance of a Final Completion Certificate, the covenants set forth in **Section 8.02** shall be deemed to have been fulfilled. The other executory terms of this Agreement that remain after the issuance of a Final Completion Certificate shall be binding only upon the Developer or a permitted assignee of the Developer who, pursuant to **Section 18.15** of this Agreement, has contracted to take an assignment of the Developer's rights under this Agreement and assume the Developer's liabilities hereunder.

**7.03 Failure to Complete.** If the Developer fails to complete the Project in accordance with the terms of this Agreement, then the City has, but shall not be limited to, any of the following rights and remedies:

- (a) the right to terminate this Agreement and cease all disbursement of City Funds not yet disbursed pursuant hereto, prior to the issuance of any tax-exempt obligations; and
- (b) the right (but not the obligation) to complete the Road Work and any other TIF-Funded Improvements that are public improvements and to pay for the costs of TIF-Funded Improvements (including interest costs) out of City Funds or other City monies. In the event that the aggregate cost of completing such TIF-Funded Improvements exceeds the amount of City Funds available pursuant to **Section 4.01**, the Developer shall reimburse the City for all reasonable costs and expenses incurred by the City in completing such TIF-Funded Improvements in excess of the available City Funds; and
- (c) the right to seek any remedies set forth in **Section 15.02**.

**7.04 Notice of Expiration of Term of Agreement.** Upon the expiration of the Term of the Agreement, HED shall provide the Developer, at the Developer's written request, with a written notice in recordable form stating that the Term of this Agreement has expired.

## **SECTION 8**

## COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER

8.01 **General.** The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of City Funds hereunder, that:

- (a) the Developer is a Delaware limited liability company duly organized, validly existing, qualified to do business in its state of organization and in Illinois, and licensed to do business in any other state where, due to the nature of its activities or properties, such qualification or license is required;
- (b) the Developer has the right, power and authority to enter into, execute, deliver and perform this Agreement;
- (c) the execution, delivery and performance by the Developer of this Agreement has been duly authorized by all necessary action, and does not and will not violate its Articles of Organization or operating agreement as amended and supplemented, any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;
- (d) unless otherwise permitted or not prohibited pursuant to or under the terms of this Agreement, the Developer shall acquire and shall maintain good, indefeasible and merchantable fee simple title to the Property (and all improvements thereon) free and clear of all liens (except for the Permitted Liens, Lender Financing as disclosed in the Project Budget and non-governmental charges that the Developer is contesting in good faith pursuant to Section 8.15 hereof);
- (e) the Developer is now and until the earlier to occur of the expiration of the Term of the Agreement and the date, if any, on which the Developer has no further interest in the Project, shall remain solvent and able to pay its debts as they mature;
- (f) there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, threatened or affecting the Developer which would impair its ability to perform under this Agreement;
- (g) the Developer has and shall maintain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to construct, complete and operate the Project;
- (h) the Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound and which would materially affect Developer's ability to complete or cause to be completed the construction of the Project;

- (i) the Financial Statements are, and when hereafter required to be submitted will be, complete, correct in all material respects and accurately present the assets, liabilities, results of operations and financial condition of the Developer, and there has been no material adverse change in the assets, liabilities, results of operations or financial condition of the Developer since the date of the Developer's most recent Financial Statements;
- (j) prior to the issuance of the Final Completion Certificate, the Developer shall not do any of the following without the prior written consent of HED (with the exception of the contemplated sales or groundleasing of portions of the Initial Improvements and the Secondary Improvements and the conveyance of common area parcels to an owners' association, which shall not in any event require the consent of the City): (1) be a party to any merger, liquidation or consolidation; (2) sell, transfer, convey, lease or otherwise dispose of all or substantially all of its assets or any portion of the Property (provided that during the entire Term of this Agreement the Developer shall be allowed to sell, transfer, convey or lease portions of the Property so long as the Developer provides the City with written notice within thirty (30) days of any such sale, transfer, conveyance, lease of any portion of the Property); (3) enter into any transaction outside the ordinary course of the Developer's business that would materially adversely affect the ability of the Developer to complete the Project; (4) assume, guarantee, endorse, or otherwise become liable in connection with the obligations of any other person or entity that would materially adversely affect the ability of the Developer to complete the Project; or (5) enter into any transaction that would cause a material and detrimental change to the Developer's financial condition; and
- (k) the Developer has not incurred, and, prior to the issuance of the Final Completion Certificate, shall not, without the prior written consent of the Commissioner, allow the existence of any liens against the Property (or improvements thereon) other than the Permitted Liens; or incur any indebtedness, secured or to be secured by the Property (or improvements thereon) or any fixtures now or hereafter attached thereto, except Lender Financing disclosed in the Project Budget; provided that nothing in this Agreement shall be construed to prohibit the granting of easements and other similar recordable interests and liens in the Property necessary or desirable for the redevelopment of the Property; and
- (l) has not made or caused to be made, directly or indirectly, any payment, gratuity or offer of employment in connection with the Agreement or any contract paid from the City treasury or pursuant to City ordinance, for services to any City agency ("City Contract") as an inducement for the City to enter into the Agreement or any City Contract with the Developer in violation of Chapter 2-156-120 of the Municipal Code of the City; and
- (m) neither the Developer nor any affiliate of the Developer is listed on any of the following lists maintained by the Office of Foreign Assets Control of the U.S. Department of the Treasury, the Bureau of Industry and Security of the U.S. Department of Commerce or their successors, or on any other list of persons or entities with which the City may not do business under any applicable law, rule,

regulation, order or judgment: the Specially Designated Nationals List, the Denied Persons List, the Unverified List, the Entity List and the Debarred List. For purposes of this subparagraph (m) only, the term “**affiliate**,” when used to indicate a relationship with a specified person or entity, means a person or entity that, directly or indirectly, through one or more intermediaries, controls, is controlled by or is under common control with such specified person or entity, and a person or entity shall be deemed to be controlled by another person or entity, if controlled in any manner whatsoever that results in control in fact by that other person or entity (or that other person or entity and any persons or entities with whom that other person or entity is acting jointly or in concert), whether directly or indirectly and whether through share ownership, a trust, a contract or otherwise.

**8.02 Covenant to Redevelop.** Upon HED’s approval of the Project Budget and the Scope Drawings as provided in **Sections 3.02 and 3.03** hereof, and the Developer’s receipt of all required building permits and governmental approvals, the Developer shall redevelop the Property in accordance with this Agreement and all Exhibits attached hereto, the TIF Ordinances, the Scope Drawings, Plans and Specifications, Project Budget and all amendments thereto, and all federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable to the Project, the Property and/or the Developer. The covenants set forth in this Section shall run with the land and be binding upon any transferee, but shall be deemed satisfied upon issuance by the City of a Final Completion Certificate with respect thereto.

**8.03 Redevelopment Plan.** The Developer represents that the Project is and shall be in compliance with all of the terms of the Redevelopment Plan.

**8.04 Use of City Funds.** City Funds disbursed to the Developer shall be used by the Developer solely to pay for (or to reimburse the Developer for its payment for) the TIF-Funded Improvements as provided in this Agreement.

**8.05 TIF Bonds.** The Developer shall, at the request of the City, agree to any reasonable amendments to this Agreement that are necessary or desirable in order for the City to issue (in its sole discretion) any TIF Bonds in connection with the Redevelopment Area, the proceeds of which may be used to reimburse the City for expenditures made in connection with, or provide a source of funds for the payment of, the TIF-Funded Improvements; provided, however, that any such amendments shall not have a material adverse effect on the Developer or the Project. The Developer shall, at the Developer’s expense, cooperate and provide reasonable assistance in connection with the marketing of any such TIF Bonds, including but not limited to providing written descriptions of the Project, making representations, providing information regarding its financial condition and assisting the City in preparing an offering statement with respect thereto.

**8.06 Occupancy, Permitted Uses.** (a) Upon the issuance of the Final Completion Certificate, the Developer shall maintain for the 12 months preceding Developer’s delivery of an occupancy progress report to HED, an average occupancy equal to the Minimum Occupancy (“**Average Minimum Occupancy**”) in order to receive payments on City Note C and Pay-as-You Go Payments (excluding the Pay-as-You Go Payment on the Closing Date), the Developer shall deliver, with the Developer’s requisition for its annual City Note C payments and Pay-as-You Go Payments, an occupancy progress report detailing compliance with the requirement to maintain an

Average Minimum Occupancy (the “**Occupancy Report**”) for the period beginning on October 1st of the preceding year to September 30th of the current year, such request to be submitted each year, through the 10th anniversary of the issuance of the Final Completion Certificate.

(b) The Developer shall (i) cause the Property to be used as a retail shopping center as permitted pursuant to the Redevelopment Plan, PD No. 966 and this Agreement; and (ii) lease or sell to tenants whose operations shall not include any Prohibited Uses set forth in **Exhibit K**, without the consent of the Commissioner. Wherever there is a conflict between the permitted uses of the Property and the Project, between this Agreement and the other controlling documents set forth above, the terms of this Agreement shall control.

(c) The covenants in this **Section 8.06** shall run with the land for the Term of the Agreement and be binding upon any transferee.

**8.07 Employment Opportunity; Progress Reports.** The Developer covenants and agrees to abide by, and contractually obligate and use reasonable efforts to cause the General Contractor and each subcontractor to abide by the terms set forth in **Section 10** hereof; provided, however, that the contracting, hiring and testing requirements associated with the MBE/WBE and City resident obligations in **Section 10** shall be applied on an aggregate basis and the failure of the General Contractor to require each subcontractor to satisfy, or the failure of any one subcontractor to satisfy, such obligations shall not result in a default or a termination of the Agreement or require payment of the City resident hiring shortfall amount so long as such **Section 10** obligations are satisfied on an aggregate basis. The Developer shall deliver to the City written progress reports detailing (1) compliance with the requirements of **Sections 8.08, 10.02** and **10.03** of this Agreement (based on expenditures to-date); and (2) copies of draw requests to monitor for City requirements, and any other reports. Such reports shall be delivered to the City when the Project is 50 percent completed (to be measured in dollars expended to date, based on 50 percent of the Project Budget in this Agreement), and thereafter on a regular quarterly basis; failure to do so will be deemed an Event of Default. If any such reports indicate a shortfall in compliance, the Developer shall also deliver a plan to HED which shall outline, to HED’s satisfaction, the manner in which the Developer shall correct any shortfall.

**8.08 Employment Profile.** The Developer shall submit, and contractually obligate and cause the General Contractor or any subcontractor to submit, to HED, from time to time, statements of its employment profile upon HED’s request.

**8.09 Prevailing Wage.** The Developer covenants and agrees to pay, and to contractually obligate and cause the General Contractor and each subcontractor to pay, the prevailing wage rate as ascertained by the Illinois Department of Labor for all construction trades, to all persons employed by them in connection with the construction of the Project. All such contracts shall list the specified rates to be paid to all laborers, workers and mechanics for each craft or type of worker or mechanic employed pursuant to such contract. If the Illinois Department of Labor revises such prevailing wage rates, the revised rates shall apply to all such contracts. Upon the City’s request, the Developer shall provide the City with copies of all such contracts entered into by the Developer or the General Contractor to evidence compliance with this **Section 8.09**.

8.10 **Arms-Length Transactions.** Unless HED has given its prior written consent with respect thereto, no Affiliate of the Developer may receive any portion of City Funds, directly or indirectly, in payment for work done, services provided or materials supplied in connection with any TIF-Funded Improvement. The Developer shall provide information with respect to any entity to receive City Funds directly or indirectly (whether through payment to the Affiliate by the Developer and reimbursement to the Developer for such costs using City Funds, or otherwise), upon HED's request, prior to any such disbursement.

8.11 **Conflict of Interest.** Pursuant to Section 5/11-74.4-4(n) of the Act, the Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the City, or of any commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the City or the Developer with respect thereto, owns or controls, has owned or controlled or will own or control any interest, and (except with respect to consultants hired by the Developer) no such person shall represent any person, as agent or otherwise, who owns or controls, has owned or controlled, or will own or control any interest, direct or indirect, in the Developer's business, the Property or any other property in the Redevelopment Area.

8.12 **Disclosure of Interest.** The Developer's counsel has no direct or indirect financial ownership interest in the Developer, the Property or any other aspect of the Project.

8.13 **Financial Statements.** The Developer shall obtain and provide to HED Financial Statements for the Developer for the most recent available fiscal year (if available) and, until the earlier to occur of the expiration of the Term of the Agreement and the date, if any, on which the Developer has no further interest in the Property, the Developer shall obtain and provide to HED Financial Statements for each fiscal year thereafter. In addition, until the earlier to occur of the expiration of the Term of the Agreement and the date, if any, on which the Developer has no further interest in the Property, the Developer shall submit unaudited financial statements as soon as reasonably practical following the close of each fiscal year and for such other periods as HED may request.

8.14 **Insurance.** The Developer, at its own expense, shall comply with all provisions of **Section 12** hereof.

8.15 **Non-Governmental Charges.**

- (a) **Payment of Non-Governmental Charges.** Except for the Permitted Liens, the Developer agrees to pay or cause to be paid when due or cause to be bonded or endorsed over any Non-Governmental Charge assessed or imposed upon the Project, the Property or any fixtures that are or may become attached thereto, which creates, may create, or appears to create a lien upon all or any portion of the Property or Project; provided however, that if such Non-Governmental Charge may be paid in installments, the Developer may pay the same together with any accrued

interest thereon in installments as they become due and before any fine, penalty, interest, or cost may be added thereto for nonpayment. The Developer shall furnish to HED, within thirty (30) days of HED's request, official receipts from the appropriate entity, or other proof satisfactory to HED, evidencing payment of the Non-Governmental Charge in question.

- (b) Right to Contest. The Developer has the right, before any delinquency occurs:
- (i) to contest or object in good faith to the amount or validity of any Non-Governmental Charge by appropriate legal proceedings properly and diligently instituted and prosecuted, in such manner as shall stay the collection of the contested Non-Governmental Charge, prevent the imposition of a lien or remove such lien, or prevent the sale or forfeiture of the Property (so long as no such contest or objection shall be deemed or construed to relieve, modify or extend the Developer's covenants to pay any such Non-Governmental Charge at the time and in the manner provided in this **Section 8.15**); or
  - (ii) at HED's sole option, to furnish a good and sufficient bond or other security satisfactory to HED in such form and amounts as HED shall require, or a good and sufficient undertaking as may be required or permitted by law to accomplish a stay of any such sale or forfeiture of the Property or any portion thereof or any fixtures that are or may be attached thereto, during the pendency of such contest, adequate to pay fully any such contested Non-Governmental Charge and all interest and penalties upon the adverse determination of such contest.

**8.16 Developer's Liabilities.** The Developer shall not enter into any transaction that would materially and adversely affect its ability to perform its obligations hereunder or to repay any material liabilities or perform any material obligations of the Developer to any other person or entity. The Developer shall immediately notify HED of any and all events or actions which may materially affect the Developer's ability to carry on its business operations or perform its obligations under this Agreement or any other documents and agreements.

**8.17 Compliance with Laws.** To the best of the Developer's knowledge, after diligent inquiry, the Property and the Project are or will be in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Project and the Property, including but not limited to the Municipal Code, Section 7-28-390, 7-28-440, 11-4-1410, 11-4-1420, 11-4-1450, 11-4-1500, 11-4-1530, 11-4-1550, or 11-4-1560, whether or not in the performance of this Agreement. Upon the City's request, the Developer shall provide evidence satisfactory to the City of such compliance.

**8.18 Recording and Filing.** The Developer shall cause this Agreement, certain exhibits (as specified by Corporation Counsel), all amendments and supplements hereto to be recorded and filed against the Property on the date hereof in the conveyance and real property records of the county in which the Project is located. This Agreement shall be recorded prior to any mortgage made in connection with Lender Financing. The Developer shall pay all fees and charges incurred

in connection with any such recording. Upon recording, the Developer shall immediately transmit to the City an executed original of this Agreement showing the date and recording number of record.

**8.19 Job Readiness Program.** The Developer shall require the operators of the Initial Improvements, and will encourage the operators of the Secondary Improvements to work with the City, through the Mayor's Office of Workforce Development (MOWD), to participate in recruitment, hiring and job training programs to provide job applicants for the jobs created by the Project and the operation of the Developer's business on the Property which participation is as specified in the last sentence of this Section. Operators of the Initial Improvements and the Secondary Improvements shall be expected to interview qualified candidates referred to them by MOWD, for job openings, but will not be required to hire any specified number of candidates.

**8.20 Survival of Covenants.** All warranties, representations, covenants and agreements of the Developer contained in this **Section 8** and elsewhere in this Agreement shall be true, accurate and complete at the time of the Developer's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and (except as provided in **Section 7** hereof upon the issuance of a Final Completion Certificate) shall be in effect throughout the Term of the Agreement.

## **SECTION 9**

### **COVENANTS/REPRESENTATIONS/WARRANTIES OF CITY**

**9.01 General Covenants.** The City represents that it has the authority as a home rule unit of local government to execute and deliver this Agreement and to perform its obligations hereunder.

**9.02 Survival of Covenants.** All warranties, representations, and covenants of the City contained in this **Section 9** or elsewhere in this Agreement shall be true, accurate, and complete at the time of the City's execution of this Agreement, and shall survive the execution, delivery and acceptance hereof by the parties hereto and be in effect throughout the Term of the Agreement.

## SECTION 10

### DEVELOPER'S EMPLOYMENT OBLIGATIONS

**10.01 Employment Opportunity.** The Developer, and the General Contractor on behalf of itself and its successors and assigns, hereby agrees, and shall contractually obligate its or their various contractors, subcontractors, any Affiliate of the Developer operating on the Property (collectively, with the Developer, the "**Employers**" and individually an "**Employer**") to agree, that for the Term of this Agreement with respect to Developer and during the period of any other party's provision of services in connection with the construction of the Project or occupation of the Property:

- (a) No Employer shall discriminate against any employee or applicant for employment based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income as defined in the City of Chicago Human Rights Ordinance, Chapter 2-160, Section 2-160-010 et seq., Municipal Code, except as otherwise provided by said ordinance and as amended from time to time (the "Human Rights Ordinance"). Each Employer shall take affirmative action to ensure that applicants are hired and employed without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income and are treated in a non-discriminatory manner with regard to all job-related matters, including without limitation: employment, upgrading, demotion or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. Each Employer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this nondiscrimination clause. In addition, the Employers, in all solicitations or advertisements for employees, shall state that all qualified applicants shall receive consideration for employment without discrimination based upon race, religion, color, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military discharge status, marital status, parental status or source of income.
- (b) To the greatest extent feasible, each Employer is required to present opportunities for training and employment of low- and moderate-income residents of the City and preferably of the Redevelopment Area; and to provide that contracts for work in connection with the construction of the Project be awarded to business concerns that are located in, or owned in substantial part by persons residing in, the City and preferably in the Redevelopment Area.
- (c) Each Employer shall comply with all federal, state and local equal employment and affirmative action statutes, rules and regulations, including but not limited to the City's Human Rights Ordinance and the Illinois Human Rights Act, 775 ILCS 5/1-101 et seq. (1993), and any subsequent amendments and regulations promulgated thereto.

- (d) Each Employer, in order to demonstrate compliance with the terms of this Section, shall cooperate with and promptly and accurately respond to inquiries by the City, which has the responsibility to observe and report compliance with equal employment opportunity regulations of federal, state and municipal agencies.
- (e) Each Employer shall include the foregoing provisions of subparagraphs (a) through (d) in every contract entered into in connection with the Project, and shall require inclusion of these provisions in every subcontract entered into by any subcontractors, and every agreement with any Affiliate operating on the Property, so that each such provision shall be binding upon each contractor, subcontractor or Affiliate, as the case may be.
- (f) Failure to comply with the employment obligations described in this **Section 10.01** shall be a basis for the City to pursue remedies under the provisions of **Section 15.02** hereof.

**10.02 City Resident Construction Worker Employment Requirement.** The Developer agrees for itself and its successors and assigns, shall contractually obligate its General Contractor and shall cause the General Contractor to contractually obligate its subcontractors, as applicable, to agree, that during the construction of the Project they shall comply with the minimum percentage of total worker hours performed by actual residents of the City as specified in Section 2-92-330 of the Municipal Code of Chicago (at least 50 percent of the total worker hours worked by persons on the site of the Project shall be performed by actual residents of the City); provided, however, that in addition to complying with this percentage, the Developer, its General Contractor and each subcontractor shall be required to make good faith efforts to utilize qualified residents of the City in both unskilled and skilled labor positions.

The Developer may request a reduction or waiver of this minimum percentage level of Chicagoans as provided for in Section 2-92-330 of the Municipal Code of Chicago in accordance with standards and procedures developed by the Chief Procurement Officer of the City.

**“Actual residents of the City”** shall mean persons domiciled within the City. The domicile is an individual's one and only true, fixed and permanent home and principal establishment.

Each Employer shall provide for the maintenance of adequate employee residency records to show that actual Chicago residents are employed on the Project and shall maintain copies of personal documents supportive of every Chicago employee's actual record of residence.

Weekly certified payroll reports (U.S. Department of Labor Form WH-347 or equivalent) shall be submitted to the Commissioner of HED in triplicate, which shall identify clearly the actual residence of every employee on each submitted certified payroll. The first time that an employee's name appears on a payroll, the date that the Employer hired the employee should be written in after the employee's name.

The Developer, the General Contractor and each subcontractor shall provide full access to their employment records to the Chief Procurement Officer, the Commissioner of HED, the Superintendent of the Chicago Police Department, the Inspector General or any duly authorized

representative of any of them. The Developer, the General Contractor and each subcontractor shall maintain all relevant personnel data and records for a period of at least three (3) years after final acceptance of the work constituting the Project.

At the direction of HED, affidavits and other supporting documentation will be required of the Developer, the General Contractor and each subcontractor to verify or clarify an employee's actual address when doubt or lack of clarity has arisen.

Good faith efforts on the part of the Developer, the General Contractor and each subcontractor to provide utilization of actual Chicago residents (but not sufficient for the granting of a waiver request as provided for in the standards and procedures developed by the Chief Procurement Officer) shall not suffice to replace the actual, verified achievement of the requirements of this Section concerning the worker hours performed by actual Chicago residents.

When work at the Project is completed, in the event that the City has determined that the Developer has failed to ensure the fulfillment of the requirement of this Section concerning the worker hours performed by actual Chicago residents or failed to report in the manner as indicated above, the City will thereby be damaged in the failure to provide the benefit of demonstrable employment to Chicagoans to the degree stipulated in this Section. Therefore, in such a case of non-compliance, it is agreed that 1/20 of 1 percent (0.0005) of the aggregate hard construction costs set forth in the Project Budget (the product of .0005 x such aggregate hard construction costs as the same shall be evidenced by approved contract value for the actual contracts, but excluding tenant improvements that are not undertaken by the Developer), shall be surrendered by the Developer to the City in payment for each percentage of shortfall toward the stipulated residency requirement. Failure to report the residency of employees entirely and correctly shall result in the surrender of the entire liquidated damages as if no Chicago residents were employed in either of the categories. The willful falsification of statements and the certification of payroll data may subject the Developer, the General Contractor and/or the subcontractors to prosecution.

Nothing herein provided shall be construed to be a limitation upon the "Notice of Requirements for Affirmative Action to Ensure Equal Employment Opportunity, Executive Order 11246" and "Standard Federal Equal Employment Opportunity, Executive Order 11246," or other affirmative action required for equal opportunity under the provisions of this Agreement or related documents.

The Developer shall cause or require the provisions of this **Section 10.02** to be included in all construction contracts and subcontracts related to the Project.

**10.03 The Developer's MBE/WBE Commitment.** The Developer agrees for itself and its successors and assigns, and, if necessary to meet the requirements set forth herein, shall contractually obligate the General Contractor (as defined in **Section 10.02**) to agree that, during the Project:

- (a) Consistent with the findings which support the Minority-Owned and Women-Owned Business Enterprise Procurement Program (the "**MBE/WBE Program**"), Section 2-92-420 et seq., Municipal Code of Chicago, and in reliance upon the provisions of the MBE/WBE Program to the extent contained in, and as qualified by, the provisions of this **Section 10.03**, during the course of the Project, at least the following

percentages of the MBE/WBE Budget set forth in **Exhibit H-2** (as these budgeted amounts may be reduced to reflect decreased actual costs shall be expended for contract participation by MBEs or WBEs:

- (i) At least 24 percent by MBEs.
- (ii) At least 4 percent by WBEs;

provided, however, that if the Developer does not achieve these MBE/WBE requirements in connection with the construction of the Initial Improvements, then those requirements will be reallocated into proportionately increased MBE/WBE requirements for the construction of the Secondary Improvements, and vice versa, and the Developer must demonstrate full compliance with said increased MBE/WBE budget as an express condition to the City issuing, as applicable, the Initial Improvements Completion Certificate and the Final Completion Certificate.

- (b) For purposes of this **Section 10.03** only, the Developer (and any party to whom a contract is let by the Developer in connection with the Project) shall be deemed a “**contractor**” and this Agreement (and any contract let by the Developer in connection with the Project) shall be deemed a “**contract**” as such terms are defined in Section 2-92-420, Municipal Code of Chicago.
- (c) Consistent with Section 2-92-440, Municipal Code of Chicago, the Developer’s MBE/WBE commitment may be achieved in part by the Developer’s status as an MBE or WBE (but only to the extent of any actual work performed on the Project by the Developer), or by a joint venture with one or more MBEs or WBEs (but only to the extent of the lesser of (i) the MBE or WBE participation in such joint venture or (ii) the amount of any actual work performed on the Project by the MBE or WBE), by the Developer utilizing a MBE or a WBE as a General Contractor (but only to the extent of any actual work performed on the Project by the General Contractor), by subcontracting or causing the General Contractor to subcontract a portion of the Project to one or more MBEs or WBEs, or by the purchase of materials used in the Project from one or more MBEs or WBEs, or by any combination of the foregoing. Those entities which constitute both a MBE and a WBE shall not be credited more than once with regard to the Developer’s MBE/WBE commitment as described in this **Section 10.03**.
- (d) The Developer shall deliver quarterly reports to HED during the Project describing its efforts to achieve compliance with this MBE/WBE commitment. Such reports shall include inter alia the name and business address of each MBE and WBE solicited by the Developer or the General Contractor to work on the Project, and the responses received from such solicitation, the name and business address of each MBE or WBE actually involved in the Project, a description of the work performed or products or services supplied, the date and amount of such work, product or service, and such other information as may assist HED in determining the Developer’s compliance with this MBE/WBE commitment. HED has access to the Developer’s books and records, including, without limitation, payroll records, books of account and tax returns, and records and books of account in accordance with Section 14 of this Agreement, on five (5) business days’ notice, to allow the City to review the

Developer's compliance with its commitment to MBE/WBE participation and the status of any MBE or WBE performing any portion of the Project.

- (e) Upon the disqualification of any MBE or WBE General Contractor or subcontractor, if such status was misrepresented by the disqualified party, the Developer shall be obligated to discharge or cause to be discharged the disqualified General Contractor or subcontractor and, if possible, identify and engage a qualified MBE or WBE as a replacement. For purposes of this Subsection (e), the disqualification procedures are further described in Section 2-92-540, Municipal Code of Chicago.
  
- (f) Prior to the commencement of the Project, the Developer, the General Contractor and all major subcontractors shall be required to meet with the monitoring staff of HED with regard to the Developer's compliance with its obligations under this **Section 10.03**. During this meeting, the Developer shall demonstrate to HED its plan to achieve its obligations under this **Section 10.03**, the sufficiency of which shall be approved by HED. During the Project, the Developer shall submit the documentation required by this **Section 10.03** to the monitoring staff of HED, including the following: (i) subcontractor's activity report; (ii) contractor's certification concerning labor standards and prevailing wage requirements; (iii) contractor letter of understanding; (iv) monthly utilization report; (v) authorization for payroll agent; and (vi) certified payroll; (vii) evidence that MBE/WBE contractor associations have been informed of the Project via written notice and hearings. Failure to submit such documentation on a timely basis, or a determination by HED, upon analysis of the documentation, that the Developer is not complying with its obligations hereunder shall, upon the delivery of written notice to the Developer, be deemed an Event of Default hereunder. Upon the occurrence of any such Event of Default, in addition to any other remedies provided in this Agreement, the City may: (1) issue a written demand to the Developer to halt the Project, (2) withhold any further payment of any City Funds to the Developer or the General Contractor (limited to payments required to be made under City Note B and City Note C), or (3) seek any other remedies against the Developer available at law or in equity.

## SECTION 11

### ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the City that the Developer has conducted environmental studies sufficient to conclude that the Project may be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto, the Plans and Specifications and all amendments thereto, and the Redevelopment Plan.

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the City harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the City as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from all or any portion of the Property or (ii) any liens against

the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the City or the Developer or any of its Affiliates under any Environmental Laws relating to the Property.

## SECTION 12

### INSURANCE

The Developer shall provide and maintain, or cause to be provided, at the Developer's or the General Contractor's own expense, during the Term of the Agreement (or as otherwise specified below), the insurance coverages and requirements specified below, insuring all operations related to the Agreement.

- (a) Prior to Execution and Delivery of this Agreement and Throughout the Term of the Agreement
  - (i) Workers Compensation and Employers Liability Insurance  
Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$100,000 each accident or illness.
  - (ii) Commercial General Liability Insurance (Primary and Umbrella)  
Commercial General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence for bodily injury, personal injury, and property damage liability. coverages shall include the following: All premises and operations, products/completed operations, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.
- (b) Construction
  - (i) Workers Compensation and Employers Liability Insurance  
Workers Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service under this Agreement and Employers Liability coverage with limits of not less than \$500,000 each accident or illness.
  - (ii) Commercial General Liability Insurance (Primary and Umbrella)

Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two (2) years following project completion), explosion, collapse, underground, independent contractors, separation of insureds, defense, and contractual liability (with no limitation endorsement). The City of Chicago is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work.

(iii) Automobile Liability Insurance (Primary and Umbrella)

When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the General Contractor shall provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The City of Chicago is to be named as an additional insured on a primary, non-contributory bases.

(iv) Railroad Protective Liability Insurance

When any work is to be done adjacent to or on railroad or transit property, General Contractor shall provide, or cause to be provided with respect to the operations that the General Contractor performs, Railroad Protective Liability Insurance in the name of railroad or transit entity. The policy has limits of not less than \$2,000,000 per occurrence and \$6,000,000 in the aggregate for losses arising out of injuries to or death of all persons, and for damage to or destruction of property, including the loss of use thereof.

(v) Builders Risk Insurance

When the General Contractor undertakes any construction, including improvements, betterments, and/or repairs, the General Contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the permanent facility. Coverages shall include but are not limited to the following: collapse, boiler and machinery if applicable. The City of Chicago shall be named as an additional insured and loss payee.

(vi) Professional Liability

When any architects, engineers, construction managers or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

(vii) Valuable Papers Insurance

When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance shall be maintained in an amount to insure against any loss whatsoever, and has limits sufficient to pay for the re-creations and reconstruction of such records.

(viii) Contractor's Pollution Liability

When any remediation work is performed which may cause a pollution exposure, contractor's Pollution Liability shall be provided with limits of not less than \$1,000,000 insuring bodily injury, property damage and environmental remediation, cleanup costs and disposal. When policies are renewed, the policy retroactive date must coincide with or precede, start of work on the Agreement. A claims-made policy which is not renewed or replaced must have an extended reporting period of one (1) year. The City of Chicago is to be named as an additional insured on a primary, non-contributory basis.

(c) Term of the Agreement

- (i) Prior to the execution and delivery of this Agreement and during construction of the Project, All Risk Property Insurance in the amount of the full replacement value of the Property. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.
- (ii) Post-construction, throughout the Term of the Agreement, All Risk Property Insurance, including improvements and betterments in the amount of full replacement value of the Property. Coverage extensions shall include business interruption/loss of rents, flood and boiler and machinery, if applicable. The City of Chicago is to be named an additional insured on a primary, non-contributory basis.

(d) Other Requirements

The Developer will furnish the City of Chicago, Department of Housing and Economic Development, City Hall, Room 1000, 121 North LaSalle Street 60602, original Certificates of Insurance evidencing the required coverage to be in force on the date of this Agreement, and Renewal Certificates of Insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the term of this Agreement. The receipt of any certificate does not constitute agreement by the City that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all Agreement requirements. The failure of the City to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the City. The Developer shall advise all insurers of the Agreement provisions regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of the Agreement, and the City retains the right to terminate this Agreement until proper evidence of insurance is provided.

The insurance shall provide for 60 days prior written notice to be given to the City in the event coverage is substantially changed, canceled, or non-renewed.

Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Developer or the General Contractor pursuant to the requirements of subsections (a) or (b) of this **Section 12**, as applicable.

The Developer agrees that insurers shall waive rights of subrogation against the City of Chicago, its employees, elected officials, agents, or representatives.

The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's or the General Contractor's liabilities and responsibilities specified within the Agreement documents or by law.

The Developer expressly understands and agrees that the Developer's or the General Contractor's insurance is primary and any insurance or self insurance programs maintained by the City of Chicago shall not contribute with insurance provided by the Developer or the General Contractor under the Agreement.

The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

The Developer shall require the General Contractor, and all subcontractors to provide the insurance required herein or Developer may provide the coverages for the General Contractor, or subcontractors. All General Contractors and subcontractors shall be subject to the same requirements (Section (d)) of Developer unless otherwise specified herein.

If the Developer, General Contractor or any subcontractor desires additional coverages, the Developer, General Contractor and any subcontractor shall be responsible for the acquisition and cost of such additional protection.

The City of Chicago Risk Management Department maintains the right to modify, delete, alter or change these requirements, so long as any such change does not increase these requirements.

## SECTION 13

### INDEMNIFICATION

13.01 General Indemnity. Developer agrees to indemnify, pay, defend and hold the City, and its elected and appointed officials, employees, agents and affiliates (individually an "Indemnitee," and collectively the "Indemnitees") harmless from and against, any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (and including without limitation, the reasonable fees and disbursements of counsel for such Indemnitees in connection with any investigative, administrative or judicial proceeding commenced or threatened, whether or not such Indemnities shall be designated a party thereto), that may be imposed on, suffered, incurred by or asserted against the Indemnitees in any manner relating or arising out of:

- (a) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement; or
- (b) the Developer's or any contractor's failure to pay the General Contractor, subcontractors or materialmen in connection with the TIF-Funded Improvements or any other Project improvement; or
- (c) the existence of any material misrepresentation or omission in this Agreement, any offering memorandum or information statement or the Redevelopment Plan or any other document related to this Agreement that is the result of information supplied or omitted by the Developer or any Affiliate of Developer or any agents, employees, contractors or persons acting under the control or at the request of the Developer or any Affiliate of Developer; or
- (d) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto;

provided, however, that Developer shall have no obligation to an Indemnitee arising from the wanton or willful misconduct of that Indemnitee. To the extent that the preceding sentence may be unenforceable because it is violative of any law or public policy, Developer shall contribute the maximum portion that it is permitted to pay and satisfy under the applicable law, to the payment and satisfaction of all indemnified liabilities incurred by the Indemnitees or any of them. The provisions of the undertakings and indemnification set out in this Section 13.01 shall survive the termination of this Agreement.

## SECTION 14

## MAINTAINING RECORDS/RIGHT TO INSPECT

14.01 **Books and Records.** The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including but not limited to the Developer's loan statements, if any, General Contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices for inspection, copying, audit and examination by an authorized representative of the City, at the Developer's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to the Project.

14.02 **Inspection Rights.** Upon three (3) business days' notice, any authorized representative of the City has access to all portions of the Project and the Property during normal business hours for the Term of the Agreement.

## SECTION 15

### DEFAULT AND REMEDIES

15.01 **Events of Default.** The occurrence of any one or more of the following events, subject to the provisions of **Section 15.03**, shall constitute an "Event of Default" by the Developer hereunder:

- (a) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under this Agreement or any related agreement;
- (b) the failure of the Developer to perform, keep or observe any of the covenants, conditions, promises, agreements or obligations of the Developer under any other agreement with any person or entity if such failure may have a material adverse effect on the Developer's business, property, assets, operations or condition, financial or otherwise;
- (c) the making or furnishing by the Developer to the City of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;
- (d) except as otherwise permitted hereunder, the creation (whether voluntary or involuntary) of, or any attempt to create, any lien or other encumbrance upon the Property, including any fixtures now or hereafter attached thereto, other than the Permitted Liens, or the making or any attempt to make any levy, seizure or attachment thereof;
- (e) the commencement of any proceedings in bankruptcy by or against the Developer or for the liquidation or reorganization of the Developer, or alleging that the Developer is insolvent or unable to pay its debts as they mature, or for the readjustment or

arrangement of the Developer's debts, whether under the United States Bankruptcy Code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving the Developer; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within sixty (60) days after the commencement of such proceedings;

- (f) the appointment of a receiver or trustee for the Developer, for any substantial part of the Developer's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of the Developer; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within sixty (60) days after the commencement thereof;
- (g) the entry of any judgment or order against the Developer that prevents the fulfillment of any obligation of this Agreement which remains unsatisfied or undischarged and in effect for sixty (60) days after such entry without a stay of enforcement or execution;
- (h) the occurrence of an event of default under the Lender Financing, which default is not cured within any applicable cure period;
- (i) the dissolution of the Developer; or
- (j) the institution in any court of a criminal proceeding (other than a misdemeanor) against the Developer or any natural person who owns a material interest in the Developer, which is not dismissed within thirty (30) days, or the indictment of the Developer or any natural person who owns a material interest in the Developer, for any crime (other than a misdemeanor); or
- (k) any prohibited sale, lease or transfer of the ownership interests in the Property in violation of **Section 8.01** hereof without the prior written consent of the City.

For purposes of **Section 15.01(j)** hereof, a person with a material interest in the Developer shall be one owning in excess of ten percent (10%) of the Developer's membership interests.

**15.02 Remedies.** Upon the occurrence of an Event of Default, the City may terminate this Agreement and all related agreements, may suspend payments due on City Note C and Pay-as-You Go Payments, or terminate City Note C and Pay-as-You Go Payments, and receive reimbursement of any payments made on City Note C and Pay-as-You Go Payments. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

**15.03 Curative Period.** In the event the Developer shall fail to perform a monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any

other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the City specifying that it has failed to perform such monetary covenant. In the event the Developer shall fail to perform a non-monetary covenant which the Developer is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the Developer has failed to cure such default within thirty (30) days of its receipt of a written notice from the City specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured; provided, further, that the only cure provisions with respect to the Developer's failure to comply with the occupancy covenant requiring Developer to maintain an Average Minimum Occupancy under **Section 8.06** hereof are contained in **Section 15.04** below.

#### 15.04 Occupancy Curative Period.

- (a) Notwithstanding any other provision of this Agreement to the contrary, an Event of Default with respect to Developer's obligation to maintain the Average Minimum Occupancy (an "**Occupancy Default**"), shall not be deemed to have occurred, unless the Developer: i) has failed to cure the Occupancy Default within one (1) year of the date the City receives an Occupancy Report specifying such default (the "**Receipt Date**"), such period to be defined as the "**Minimum Cure Period**," or ii) has cured a previous Occupancy Default within the Maximum Cure Period (defined herein); provided, however, if an Occupancy Default described in subpart (i) of this **Section 15.04(a)** is not cured within the Minimum Cure Period, the Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within the Minimum Cure Period and thereafter cures such default within two (2) years of the related Receipt Date; provided, further, that the Developer will be allowed a maximum of two Minimum Cure Periods to cure an Occupancy Default or such other longer time period as approved by the Commissioner of HED in her/his sole discretion (the "**Maximum Cure Period**").
- (b) If the Developer submits an Occupancy Report which describes an Occupancy Default, but has maintained the Minimum Occupancy in the thirty (30) days preceding the Receipt Date and has provided the City with evidence that it has contracted for the Minimum Occupancy for the following year, then the Developer will not be deemed to have incurred an Occupancy Default in relation to such Occupancy Report or used a Minimum Cure Period.
- (c) If the Developer has cured all Occupancy Defaults, the Developer shall continue to deliver Occupancy Reports and maintain the Average Minimum Occupancy after the 10th anniversary of the issuance of the Final Completion Certificate for the number of years for which the Developer did not report maintaining the Average Minimum Occupancy.

#### 15.05 Occupancy Remedies.

- (a) Upon the occurrence of an Occupancy Default which constitutes an Event of Default as described in **Section 15.04(a)**, the City may terminate this Agreement and all related agreements, and may suspend payments of City Note C and Pay-as-You Go Payments, or terminate City Note C and Pay-as-You Go Payments. The City may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy, including but not limited to injunctive relief or the specific performances of the agreements contained herein, provided, however, the City shall have no recourse against City Note 1, and City Note B.
- (b) Upon the occurrence of an Event of Default pursuant to an Occupancy Default under **Section 15.04**, the City may suspend payments due under City Note C and Pay-as-You Go Payments, until the Developer has complied with the occupancy covenants in **Section 8.06**, and no interest shall accrue on City Note C during the year described in the Occupancy Report with an Occupancy Default or during the Minimum Cure Period, unless Developer complies with **Section 15.04** within the Minimum Cure Period. No interest shall accrue on City Note C during the years described in an Occupancy Report with an Occupancy Default or during the Maximum Cure Period.

## **SECTION 16**

### **MORTGAGING OF THE PROJECT**

All mortgages or deeds of trust in place as of the date hereof with respect to the Property or any portion thereof are listed on **Exhibit G** hereto (including but not limited to mortgages made prior to or on the date hereof in connection with Lender Financing) and are referred to herein as the "**Existing Mortgages.**" Any mortgage or deed of trust that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof is referred to herein as a "**New Mortgage.**" Any New Mortgage that the Developer may hereafter elect to execute and record or permit to be recorded against the Property or any portion thereof with the prior written consent of the City (which consent shall not be unreasonably withheld or delayed), is referred to herein as a "**Permitted Mortgage.**" It is hereby agreed by and between the City and the Developer as follows:

- (a) In the event that a mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under a New Mortgage (other than a Permitted Mortgage), whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with **Section 18.15** hereof, the City may, but shall not be obligated to, attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement and, unless so recognized by the City as the successor in interest, such party shall be entitled to no rights or benefits under this Agreement, but such party shall be bound by those provisions of this Agreement that are covenants expressly running with the land, those provisions being **Sections 8.02** and **8.06**.

- (b) In the event that any mortgagee or any other party shall succeed to the Developer's interest in the Property or any portion thereof pursuant to the exercise of remedies under an Existing Mortgage or a Permitted Mortgage, whether by foreclosure or deed in lieu of foreclosure (and the exercise of any such remedy and the transfer of title to the Property or to a mortgagee or any other party in connection with such exercise shall not be subject to the consent of the City or HED), and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with **Section 18.15** hereof, the City hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such party accepts all of the obligations and liabilities of "the Developer" hereunder as to the Property; provided, however, that, notwithstanding any other provision of this Agreement to the contrary, it is understood and agreed that if such party accepts an assignment of the Developer's interest under this Agreement, such party has no liability under this Agreement for any Event of Default of the Developer which accrued prior to the time such party succeeded to the interest of the Developer under this Agreement, the Developer shall be solely responsible. However, if such mortgagee under a Permitted Mortgage or an Existing Mortgage does not expressly accept an assignment of the Developer's interest hereunder, such party shall be entitled to no rights and benefits under this Agreement, and such party shall be bound only by those provisions of this Agreement, if any, which are covenants expressly running with the land, those provisions being **Sections 8.02** and **8.06**.
- (c) Prior to the issuance by the City to the Developer of a Certificate pursuant to Section 7 hereof, no New Mortgage shall be executed with respect to the Property or any portion thereof without the prior written consent of the Commissioner of HED, which consent shall not be unreasonably withheld or delayed.
- (d) If a default by the Developer under this Agreement occurs and the Developer does not cure it within the applicable cure period, the City shall use reasonable efforts to give to the mortgagee under an Existing Mortgage copies of any notices of default which it may give to the Developer with respect to the Project pursuant to the Agreement. Under no circumstances shall the Developer or any third party be entitled to rely upon this **Section 16(d)**. The failure of the City to deliver such notice shall in no instance alter its rights or remedies under this Agreement.
- (e) By virtue of Developer's agreement hereby, the City agrees that it shall accept a cure by any mortgagee in fulfillment of the Developer's obligations, for the account of the Developer and with the same force and effect as if performed by the Developer. No cure or attempted cure by or on behalf of such mortgagee shall cause it to be deemed to have accepted an assignment of this Agreement.

## **SECTION 17**

### **NOTICE**

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b)

telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

**If to the City:** City of Chicago  
Department of Housing and Economic Development  
121 North LaSalle Street, Room 1000  
Chicago, IL 60602  
Attention: Commissioner

**With Copies To:** City of Chicago  
Department of Law  
Finance and Economic Development Division  
121 North LaSalle Street, Room 600  
Chicago, IL 60602

**If to the Developer:** W2005 CMK Realty, L.L.C.  
c/o Monroe Investment Partners  
30 West Monroe South, Suite 1000  
Chicago, IL 60603  
Attention: Donald J. Allen

**With Copies To:** Richard F. Klawiter  
DLA Piper US LLP  
203 North LaSalle Street, Suite 1800  
Chicago, Illinois 60601

**If to Lender:** Chatham Market Lender LLC  
c/o WH&H Realty Advisers, LLC  
150 North Wacker Drive, Suite 1825  
Chicago, Illinois 60606  
Attention: Gary H. Heigl

**With Copies to:** Kenneth W. Bosworth  
2500 West Higgins Road, Suite 1200  
Hoffman Estates, Illinois 60169

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

## SECTION 18

### MISCELLANEOUS

**18.01 Amendment.** This Agreement and the Exhibits attached hereto may not be amended or modified without the prior written consent of the parties hereto; provided, however, that the City, in its sole discretion, may amend, modify or supplement **Exhibit D** hereto without the consent of any party hereto. It is agreed that no material amendment or change to this Agreement shall be made or be effective unless ratified or authorized by an ordinance duly adopted by the City Council. The term "material" for the purpose of this **Section 18.01** shall be defined as any deviation from the terms of the Agreement which operates to cancel or otherwise reduce any developmental or construction obligations of Developer (including those set forth in **Sections 10.02** and **10.03** hereof) by more than five percent (5%) or materially changes the Project site or character of the Project or any activities undertaken by Developer affecting the Project site, the Project, or both, or increases any time agreed for performance by the Developer by more than ninety (90) days.

**18.02 Entire Agreement.** This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

**18.03 Limitation of Liability.** No member, official or employee of the City shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the City or for any amount which may become due to the Developer from the City or any successor in interest or on any obligation under the terms of this Agreement.

**18.04 Further Assurances.** The Developer agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

**18.05 Waiver.** Waiver by the City or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the City or the Developer in writing. No delay or omission on the part of a party in exercising any right shall operate as a waiver of such right or any other right unless pursuant to the specific terms hereof. A waiver by a party of a provision of this Agreement shall not prejudice or constitute a waiver of such party's right otherwise to demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by a party, nor any course of dealing between the parties hereto, shall constitute a waiver of any such parties' rights or of any obligations of any other party hereto as to any future transactions.

**18.06 Remedies Cumulative.** The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

**18.07 Disclaimer.** Nothing contained in this Agreement nor any act of the City shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the City.

18.08 **Headings.** The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

18.09 **Counterparts.** This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

18.10 **Severability.** If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

18.11 **Conflict.** In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances and/or the TIF Bond Ordinance, if any, such ordinance(s) shall prevail and control.

18.12 **Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

18.13 **Form of Documents.** All documents required by this Agreement to be submitted, delivered or furnished to the City shall be in form and content satisfactory to the City.

18.14 **Approval.** Wherever this Agreement provides for the approval or consent of the City, HED or the Commissioner, or any matter is to be to the City's, HED's or the Commissioner's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the City, HED or the Commissioner in writing and in the reasonable discretion thereof. The Commissioner or other person designated by the Mayor of the City shall act for the City or HED in making all approvals, consents and determinations of satisfaction, granting the Certificate or otherwise administering this Agreement for the City. In furtherance of the foregoing, the terms of this Agreement may be modified administratively by the Commissioner without the same being deemed an amendment to this Agreement provided that the Commissioner, in consultation with the Corporation Counsel of the City, has determined that such modification is minor, appropriate and consistent with the terms and conditions of this Agreement and the purposes underlying the provisions hereof.

18.15 **Assignment.** Prior to the date which is five (5) years after the issuance of the Final Completion Certificate, the Developer may not sell, assign or otherwise transfer its interest in this Agreement in whole or in part without the written consent of the City, subject to the provisions set forth in **Section 8.01(j)** hereof; provided that the Developer may assign, on a collateral basis, the right to receive City Funds under the City Notes to a lender providing Lender Financing, if any, which has been identified to the City as of the Closing Date. Notwithstanding anything to the contrary contained in this Agreement, the Developer may transfer its membership interest in whole or in part without the written consent of the City to a Goldman Sachs Group, Inc. controlled entity. Any successor in interest to the Developer under this Agreement shall certify in writing to the City its agreement to abide by all remaining executory terms of this Agreement, including but not limited **Section 8.20** (Survival of Covenants) hereof, for the Term of the Agreement. The Developer consents to the City's sale, transfer, assignment or other disposal of this Agreement at any time in whole or in part.

**18.16 Binding Effect.** This Agreement shall be binding upon the Developer, the City and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of the Developer, the City and their respective successors and permitted assigns (as provided herein). Except as otherwise provided herein, this Agreement shall not run to the benefit of, or be enforceable by, any person or entity other than a party to this Agreement and its successors and permitted assigns. This Agreement should not be deemed to confer upon third parties any remedy, claim, right of reimbursement or other right.

**18.17 Force Majeure.** Neither the City nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The individual or entity relying on this section with respect to any such delay shall, upon the occurrence of the event causing such delay, immediately give written notice to the other parties to this Agreement. The individual or entity relying on this section with respect to any such delay may rely on this section only to the extent of the actual number of days of delay effected by any such events described above.

**18.18 Exhibits.** All of the exhibits attached hereto are incorporated herein by reference.

**18.19 Business Economic Support Act.** Pursuant to the Business Economic Support Act (30 ILCS 760/1 et seq.), if the Developer is required to provide notice under the WARN Act, the Developer shall, in addition to the notice required under the WARN Act, provide at the same time a copy of the WARN Act notice to the Governor of the State, the Speaker and Minority Leader of the House of Representatives of the State, the President and minority Leader of the Senate of State, and the Mayor of each municipality where the Developer has locations in the State. Failure by the Developer to provide such notice as described above may result in the termination of all or a part of the payment or reimbursement obligations of the City set forth herein.

**18.20 Venue and Consent to Jurisdiction.** If there is a lawsuit under this Agreement, each party may hereto agree to submit to the jurisdiction of the courts of Cook County, the State of Illinois and the United States District Court for the Northern District of Illinois.

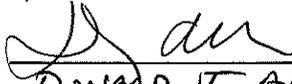
**18.21 Costs and Expenses.** In addition to and not in limitation of the other provisions of this Agreement, Developer agrees to pay upon demand the City's out-of-pocket expenses, including attorney's fees, incurred in connection with the enforcement of the provisions of this Agreement. This includes, subject to any limits under applicable law, attorney's fees and legal expenses, whether or not there is a lawsuit, including attorney's fees for bankruptcy proceedings (including efforts to modify or vacate any automatic stay or injunction), appeals and any anticipated post-judgment collection services. Developer also will pay any court costs, in addition to all other sums provided by law.

18.22 **Business Relationships.** The Developer acknowledges (A) receipt of a copy of Section 2-156-030 (b) of the Municipal Code of Chicago, (B) that Developer has read such provision and understands that pursuant to such Section 2-156-030 (b), it is illegal for any elected official of the City, or any person acting at the direction of such official, to contact, either orally or in writing, any other City official or employee with respect to any matter involving any person with whom the elected City official or employee has a "**Business Relationship**" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving any person with whom the elected City official or employee has a "**Business Relationship**" (as defined in Section 2-156-080 of the Municipal Code of Chicago), or to participate in any discussion in any City Council committee hearing or in any City Council meeting or to vote on any matter involving the person with whom an elected official has a Business Relationship, and (C) that a violation of Section 2-156-030 (b) by an elected official, or any person acting at the direction of such official, with respect to any transaction contemplated by this Agreement shall be grounds for termination of this Agreement and the transactions contemplated hereby. The Developer hereby represents and warrants that, to the best of its knowledge after due inquiry, no violation of Section 2-156-030 (b) has occurred with respect to this Agreement or the transactions contemplated hereby.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK.]

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

W2005 CMK Realty, L.L.C., a Delaware limited liability company, by  
its Manager, MONROE ASSET MANAGEMENT LLC,

By:   
Name: DONALD V. ALLEN  
Title: MANAGER

CITY OF CHICAGO, ILLINOIS, acting by and through its  
Department of Housing and Economic Development

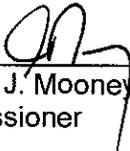
By: \_\_\_\_\_  
Andrew J. Mooney  
Its Commissioner

IN WITNESS WHEREOF, the parties hereto have caused this Redevelopment Agreement to be executed on or as of the day and year first above written.

W2005 CMK Realty, L.L.C., a Delaware limited liability company

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

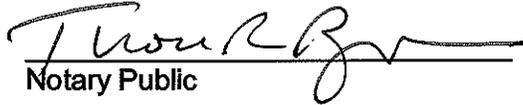
CITY OF CHICAGO, ILLINOIS, acting by and through its  
Department of Housing and Economic Development

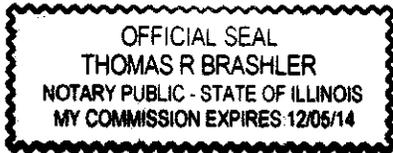
By:  \_\_\_\_\_  
Its Andrew J. Mooney  
Commissioner

STATE OF ILLINOIS )  
 ) SS  
COUNTY OF COOK )

I, THOMAS R. BRASHLER, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that DONALD J. ALLEN, personally known to me to be the Manager of Monroe Asset Management LLC, the Manager of W2005 CMK Realty, L.L.C, a Delaware limited liability company (the "Developer"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument, pursuant to the authority given to him/her by the Members of the Developer, as his/her free and voluntary act and as the free and voluntary act of the Developer, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 12<sup>th</sup> day of DECEMBER, 2012.

  
Notary Public



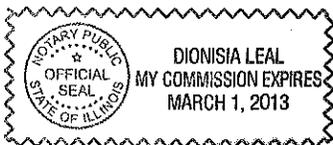
My Commission Expires 12/5/14

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF COOK        )

I, DIONISIA LEAL, a notary public in and for the said County, in the State aforesaid, DO HEREBY CERTIFY that Andrew J. Mooney, personally known to me to be the Commissioner of the Department of Housing and Economic Development of the City of Chicago (the "City"), and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that he/she signed, sealed, and delivered said instrument pursuant to the authority given to him/her by the City, as his/her free and voluntary act and as the free and voluntary act of the City, for the uses and purposes therein set forth.

GIVEN under my hand and official seal this 21<sup>st</sup> this day of December, 2012

Dionisia Leal  
Notary Public



My Commission Expires 03-01-2013

Exhibit A

REDEVELOPMENT AREA

**83<sup>rd</sup>/Stewart Tax Increment Financing Redevelopment Project Area**

ALL THAT PART OF SECTION 33 AND THE WEST HALF OF THE SOUTHWEST QUARTER OF SECTION 34, ALL IN TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, BOUNDED AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE POINT OF INTERSECTION OF THE EAST LINE OF SOUTH WENTWORTH AVENUE WITH THE SOUTH LINE OF WEST 83<sup>RD</sup> STREET, SAID POINT OF INTERSECTION BEING ALSO THE NORTHWEST CORNER OF LOT 9 IN BLOCK 6 OF THE Mc INTOSH BROTHERS' LA SALLE STREET SUBDIVISION, A SUBDIVISION IN THE EAST HALF OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH WENTWORTH AVENUE TO THE SOUTH LINE OF SAID LOT 9 IN BLOCK 6 OF THE Mc INTOSH LA SALLE STREET SUBDIVISION, SAID SOUTH LINE OF LOT 9 BEING ALSO THE NORTH LINE OF THE ALLEY SOUTH OF WEST 83<sup>RD</sup> STREET;

THENCE EAST ALONG SAID NORTH LINE OF THE ALLEY SOUTH OF WEST 83<sup>RD</sup> STREET TO THE NORTHERLY EXTENSION OF THE WEST LINE OF LOT 42 IN SAID BLOCK 6 OF THE Mc INTOSH BROTHERS' LA SALLE STREET SUBDIVISION, SAID WEST LINE OF LOT 42 BEING ALSO THE EAST LINE OF THE ALLEY WEST OF SOUTH LA SALLE STREET;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE EAST LINE OF THE ALLEY WEST OF SOUTH LA SALLE STREET TO THE SOUTH LINE OF LOT 28 IN AFORESAID BLOCK 6 OF THE Mc INTOSH BROTHERS' LA SALLE STREET SUBDIVISION, SAID SOUTH LINE OF LOT 28 BEING ALSO THE NORTH LINE OF WEST 84<sup>TH</sup> STREET;

THENCE EAST ALONG SAID NORTH LINE OF WEST 84<sup>TH</sup> STREET TO THE NORTHERLY EXTENSION OF THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-406-008, SAID WEST LINE BEING A LINE 363.8 FEET, MORE OR LESS, WEST OF AND PARALLEL WITH THE EAST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE SOUTH ALONG SAID NORTHERLY EXTENSION AND THE WEST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-406-008 TO THE SOUTH LINE THEREOF, SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-406-008 BEING ALSO THE NORTH LINE OF SOUTH LAFAYETTE AVENUE;

THENCE EAST ALONG SAID NORTH LINE OF SOUTH LAFAYETTE AVENUE TO THE WEST LINE OF LOT 12 IN THE STATE STREET SUBDIVISION OF THE NORTH 5 ACRES OF THE SOUTH 50 ACRES OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 33,

TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID WEST LINE OF LOT 12 BEING ALSO THE EAST LINE OF SOUTH LAFAYETTE AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH LAFAYETTE AVENUE TO THE SOUTH LINE OF LOT 7 IN WALSH'S SUBDIVISION IN THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG THE WESTERLY EXTENSION OF THE SOUTH LINE OF SAID LOT 7 IN WALSH'S SUBDIVISION, SAID WESTERLY EXTENSION BEING ALSO THE SOUTH LINE OF SOUTH LAFAYETTE AVENUE, TO THE EAST LINE OF LOT 16 IN SAID WALSH'S SUBDIVISION, SAID EAST LINE OF LOT 16 BEING ALSO THE WEST LINE OF SOUTH LAFAYETTE AVENUE;

THENCE SOUTH ALONG THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-024 AND ALONG THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-027 AND ALONG THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-035 TO THE SOUTH LINE THEREOF, SAID SOUTH LINE OF PROPERTY BEARING PIN 20-33-411-035 BEING ALSO THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-039;

THENCE WEST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-035 TO THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-038;

THENCE NORTH ALONG SAID EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-038 TO THE NORTH LINE THEREOF, SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-038 BEING ALSO THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-035;

THENCE WEST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-035 AND THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-411-034 TO THE WEST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID WEST LINE OF THE EAST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TO THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-040 IN THE 87<sup>TH</sup> - DAN RYAN HOME DEPOT SUBDIVISION IN THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-040 BEING ALSO THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-039;

THENCE WEST ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-039 AND ALONG THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-405-009 AND ALONG THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING

PIN 20-33-405-007 TO THE EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-031;

THENCE SOUTH A DISTANCE OF 125 FEET, MORE OR LESS, ALONG SAID EAST LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-031 TO A SOUTH LINE THEREOF;

THENCE WEST A DISTANCE OF 500 FEET, MORE OR LESS, ALONG SAID SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-031 TO AN EAST LINE OF SAID PARCEL OF PROPERTY BEARING PIN 20-33-305-031;

THENCE SOUTH A DISTANCE OF 625 FEET, MORE OR LESS, ALONG SAID EAST LINE OF SAID PARCEL OF PROPERTY BEARING PIN 20-33-305-031 TO THE SOUTHERLY MOST SOUTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 20-33-305-031;

THENCE WEST ALONG SAID SOUTHERLY MOST SOUTH LINE OF SAID PARCEL OF PROPERTY BEARING PIN 20-33-305-031 AND ALONG THE SOUTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-034 TO THE WEST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID WEST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 33 TO THE SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-031;

THENCE NORTHWESTERLY ALONG SAID SOUTHWESTERLY LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-305-031 TO THE SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE WEST ALONG SAID SOUTH LINE OF THE NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 33 A DISTANCE OF 10.964 FEET, MORE OR LESS, TO A LINE 33 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 33;

THENCE NORTH ALONG SAID LINE 33 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF SAID NORTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION 33 A DISTANCE OF 94.85 FEET, MORE OR LESS, TO THE SOUTH LINE OF SOUTH STEWART AVENUE, AS SAID STEWART AVENUE IS OPENED AND LAID OUT IN THE EAST HALF OF THE SOUTHWEST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE EAST ALONG SAID SOUTH LINE OF SOUTH STEWART AVENUE TO THE EASTERLY MOST EAST LINE THEREOF, SAID EASTERLY MOST EAST LINE BEING A LINE 46 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID EASTERLY MOST EAST LINE OF SOUTH STEWART AVENUE A DISTANCE OF 100 FEET TO A NORTH LINE OF SAID SOUTH STEWART AVENUE;

THENCE WEST ALONG SAID NORTH LINE OF SOUTH STEWART AVENUE A DISTANCE OF 13 FEET TO THE EAST LINE OF SAID SOUTH STEWART AVENUE, SAID EAST LINE BEING A LINE 33 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN;

THENCE NORTH ALONG SAID EAST LINE OF SOUTH STEWART AVENUE TO THE NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-224-010;

THENCE EAST ALONG SAID NORTH LINE OF THE PARCEL OF PROPERTY BEARING PIN 20-33-224-010 AND ALONG THE EASTERLY EXTENSION THEREOF TO THE EAST LINE OF SOUTH WENTWORTH AVENUE;

THENCE SOUTH ALONG SAID EAST LINE OF SOUTH WENTWORTH AVENUE TO THE POINT OF BEGINNING AT THE SOUTH LINE OF WEST 83<sup>RD</sup> AVENUE, ALL IN THE CITY OF CHICAGO, COOK COUNTY, ILLINOIS.

Exhibit B  
PROPERTY  
(Subject to Survey and Title Commitment)

PARCEL 1:

AN IRREGULAR PARCEL OF LAND IN THE SOUTHWEST QUARTER AND IN THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING PART OF LOTS 1 TO 4 AND PART OF LOTS 14 TO 17 IN SEYMOUR ESTATE SUBDIVISION OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND PART OF LOT C IN CHICAGO AND WESTERN INDIANA RAILROAD COMPANY'S SUBDIVISION OF PART OF SECTION 33, AFORESAID DESCRIBED AS FOLLOWS:

COMMENCING AT A POINT ON THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 33, AFORESAID, 1249.59 FEET SOUTH OF THE NORTHWEST CORNER THEREOF, SAID POINT BEING ON THE SOUTHERLY TERMINUS OF SOUTH STEWART AVENUE AS SHOWN IN DOCUMENT NUMBER 19624147; THENCE SOUTH 89° 59' 22" EAST ALONG A LINE PERPENDICULAR TO THE WEST LINE OF THE SOUTHEAST QUARTER OF SAID SECTION, A DISTANCE OF 46.00 FEET; THENCE NORTH 0° 00' 38" EAST ALONG A LINE PARALLEL TO THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 33, AFORESAID, A DISTANCE OF 100.00 FEET; THENCE NORTH 89° 59' 22" WEST, 13.00 FEET TO A POINT ON A LINE 33.00 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID; THENCE NORTH 0° 00' 38" EAST ALONG SAID PARALLEL LINE, A DISTANCE OF 1116.60 FEET TO A POINT ON A LINE 33 FEET SOUTH OF AND PARALLEL WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID; THENCE NORTH 89° 58' 06" EAST ALONG SAID PARALLEL LINE, A DISTANCE OF 1290.02 FEET TO A POINT ON THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID; THENCE SOUTH ALONG SAID EAST LINE, A DISTANCE OF 969.78 FEET TO A POINT ON THE NORTH LINE OF THE SOUTH QUARTER OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID; THENCE SOUTH 89° 44' 06" WEST, 32.68 FEET ALONG SAID NORTH LINE; THENCE SOUTHWESTERLY ALONG THE ARC OF A CIRCLE OF 353.77 FEET RADIUS, CONVEX SOUTHEASTERLY AND WHOSE CHORD BEARS SOUTH 32° 07' 57" WEST TO A POINT WHICH IS 60.26 FEET NORTH OF THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION AND 205.46 FEET WEST OF THE EAST LINE OF THE NORTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE SOUTH 55° 06' 42" WEST TO A POINT WHICH IS 7.20 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION AND 303.04 FEET WEST OF THE EAST LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE SOUTH 62° 15' 42" WEST ALONG A LINE FORMING AN ANGLE OF 7° 09' AS MEASURED FROM SOUTH TO WEST WITH THE EXTENSION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 314.97 FEET TO A POINT OF CURVE; THENCE SOUTHWESTERLY 92.365 FEET ALONG

THE ARC OF A CIRCLE OF 273.04 FEET RADIUS, CONVEX NORTHWESTERLY, TANGENT TO THE LAST DESCRIBED COURSE AND WHOSE CHORD BEARS SOUTH 52° 34' 17" WEST; THENCE ALONG THE FOLLOWING COURSES BEING THE EASTERLY LINE OF THE TRACT OF LAND DESCRIBED IN LEASE AGREEMENT DOCUMENT NUMBER 19597865; SOUTHWESTERLY 176.104 FEET ALONG THE ARC OF A CIRCLE OF 273.04 FEET RADIUS, CONVEX WESTERLY AND WHOSE CHORD BEARS SOUTH 24° 24' 08" WEST; THENCE SOUTH 5° 55' 30" WEST, 195.434 FEET, ALONG A LINE TANGENT TO SAID ARC, TO A LINE DRAWN 746.50 FEET (MEASURED PERPENDICULARLY) WEST OF AND PARALLEL WITH THE EAST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SAID SECTION 33; THENCE SOUTH ALONG SAID PARALLEL LINE 85.912 FEET; THENCE SOUTHWESTERLY 94.444 FEET ALONG A LINE DRAWN 10.00 FEET SOUTHEASTERLY OF AND CONCENTRIC WITH THE CENTER LINE OF A RAILROAD TRACT AS NOW CONSTRUCTED AND OCCUPIED; SAID CONCENTRIC LINE BEING THE ARC OF A CIRCLE OF 396.37 FEET RADIUS, CONVEX SOUTHEASTERLY AND WHOSE CHORD BEARS SOUTH 26° 34' 54.5" WEST TO A POINT OF REVERSE CURVE; THENCE CONTINUING SOUTHWESTERLY 142.38 FEET ALONG SAID REVERSE CURVE, BEING A LINE DRAWN 10.00 FEET SOUTHEASTERLY OF AND CONCENTRIC WITH THE CENTER LINE OF SAID RAILROAD TRACK AND AN ARC OF A CIRCLE OF 314.94 FEET RADIUS, CONVEX NORTHWESTERLY AND WHOSE CHORD BEARS SOUTH 20° 27' 23" WEST TO A POINT ON A LINE 838.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, AFORESAID; THENCE NORTH 73.667 FEET ALONG SAID PARALLEL LINE TO A POINT ON SAID LINE 787.24 FEET SOUTH OF THE NORTH LINE OF THE SOUTHWEST QUARTER OF THE SOUTHEAST QUARTER OF SECTION 33 AFORESAID (AS MEASURED ALONG SAID PARALLEL LINE); THENCE SOUTHERLY 231.77 FEET ALONG THE ARC OF A CIRCLE 347.77 FEET RADIUS, CONVEX WESTERLY AND WHOSE CHORD BEARS SOUTH 0° 44' 46" EAST; THENCE SOUTH 19° 50' 18" EAST, 121.82 FEET; THENCE SOUTH 4° 32' 48" EAST ALONG A LINE FORMING AN ANGLE OF 15° 17' 30" AS MEASURED FROM EAST TO SOUTH WITH THE EXTENSION OF THE LAST DESCRIBED COURSE, A DISTANCE OF 17.0 FEET, MORE OR LESS, TO A POINT WHICH IS 194.82 FEET NORTH OF THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION; THENCE SOUTH 89° 20' 48" WEST ALONG A LINE PARALLEL WITH THE SOUTH LINE OF THE SOUTHEAST QUARTER OF SAID SECTION, 2.79 FEET; THENCE SOUTH 7° 56' 32" EAST, 113.40 FEET; THENCE SOUTH 89° 55' 42" WEST, 79.52 FEET; THENCE NORTH 40° 28' 12" WEST, 44.538 FEET TO A POINT ON THE SOUTHEASTERLY LINE OF SOUTH HOLLAND ROAD AS SHOWN IN DOCUMENT NUMBER 19624147 AFORESAID; THENCE NORTH 22° 43' 48" EAST ALONG SAID SOUTHEASTERLY LINE, 23.563 FEET; THENCE SOUTH 67° 16' 12" EAST, 17.0 FEET; THENCE NORTH 22° 43' 48" EAST, 90.00 FEET; THENCE NORTH 67° 16' 12" WEST ALONG THE NORTHERLY TERMINUS OF SOUTH HOLLAND ROAD AFORESAID 100.00 FEET; THENCE SOUTH 22° 43' 48" WEST, 71.638 FEET; THENCE NORTH 40° 28' 12" WEST, 72.474 FEET; THENCE NORTH 26° 05' 42" WEST, 3.34 FEET; THENCE NORTHWESTERLY 220.88 FEET ALONG THE ARC OF A CIRCLE OF 1432.69 FEET RADIUS, CONVEX TO THE SOUTHWEST AND WHOSE CHORD BEARS NORTH 21° 40' 42" WEST; THENCE NORTH 19° 27' 42" WEST, 333.80 FEET; THENCE NORTHWESTERLY 104.74 FEET ALONG THE ARC OF A CIRCLE OF 342.26 FEET RADIUS, CONVEX TO THE SOUTHWEST, TANGENT TO THE LAST DESCRIBED COURSE AND WHOSE CHORD BEARS NORTH 10° 41' 42"

WEST; THENCE NORTH 1° 55' 42" WEST, 56.68 FEET; THENCE NORTHWESTERLY 78.80 FEET ALONG THE ARC OF A CIRCLE OF 376.26 FEET RADIUS, CONVEX TO THE NORTHEAST TANGENT TO THE LAST DESCRIBED COURSE AND WHOSE CHORD BEARS NORTH 7° 55' 42" WEST; THENCE NORTH 13° 55' 42" WEST, 39.90 FEET; THENCE NORTHWESTERLY 51.04 FEET ALONG THE ARC OF A CIRCLE OF 1163.28 FEET RADIUS CONVEX TO THE NORTHEAST AND TANGENT TO THE LAST DESCRIBED COURSE TO THE POINT OF INTERSECTION WITH THE SOUTHWESTERLY LINE OF VACATED SOUTH HOLLAND ROAD AS SHOWN IN DOCUMENT 19624148; THENCE NORTH 22° 06' 16" WEST ALONG SAID SOUTHWESTERLY LINE OF VACATED SOUTH HOLLAND ROAD TO THE POINT OF INTERSECTION WITH THE NORTH LINE OF THE SOUTHEAST QUARTER OF THE SOUTHWEST QUARTER OF SAID SECTION; THENCE SOUTH 89° 39' 26" WEST ALONG SAID NORTH LINE TO A POINT ON A LINE 33.00 FEET WEST OF AND PARALLEL WITH THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION; THENCE NORTH 0° 00' 38" EAST ALONG THE LAST DESCRIBED PARALLEL LINE TO A POINT ON A LINE DRAWN PERPENDICULAR TO THE EAST LINE OF THE SOUTHWEST QUARTER OF SAID SECTION THROUGH THE PLACE OF BEGINNING; THENCE SOUTH 89° 59' 22" EAST ALONG SAID PERPENDICULAR LINE, BEING ALSO THE SOUTHERLY TERMINUS OF SOUTH STEWART AVENUE AFOREMENTIONED, TO THE PLACE OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

EXCEPTING THEREFROM THAT PART, IF ANY, FALLING IN THE WEST 33 FEET OF LOT 17 IN SEYMOURS SUBDIVISION CONVEYED TO THE CITY OF CHICAGO BY DOCUMENT 25965445.

PARCEL 2:

AN IRREGULAR PARCEL OF LAND IN THE SOUTHWEST QUARTER AND IN THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, BEING PART OF LOT C IN CHICAGO AND WESTERN INDIANA RAILROAD COMPANY'S SUBDIVISION OF PART OF SECTION 33 AFORESAID AND A PART OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF LOT 2 IN 87<sup>th</sup>-DAN RYAN HOME DEPOT SUBDIVISION OF PART OF THE WEST HALF OF THE NORTHEAST QUARTER OF SECTION 4, TOWNSHIP 37 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN, AND PART OF THE WEST HALF OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 38 NORTH, RANGE 14, EAST OF THE THIRD PRINCIPAL MERIDIAN; THENCE NORTH 10' 39' 07" WEST ALONG WITH THE WEST LINE OF LOT 2 FOR A DISTANCE OF 219.63 FEET TO A BEND IN SAID WEST LINE; THENCE NORTH 22' 06' 22" WEST ALONG SAID WEST LINE 202.0 FEET TO ANOTHER BEND THEREIN; THENCE NORTH 00' 04' 50" WEST ALONG SAID WEST LINE 110.38 FEET TO A CORNER OF SAID LOT 2; THENCE NORTH 00' 00' 02" WEST 73.66 FEET; THENCE SOUTHERLY 231.77 FEET ALONG AN ARC OF A CIRCLE CONVEX WESTERLY WITH A RADIUS OF 347.77 FEET AND WHOSE CHORD BEARS SOUTH 00' 44' 54" EAST A DISTANCE OF 227.50 FEET; THENCE SOUTH 19' 50' 21" EAST 121.82 FEET; THENCE SOUTH 04' 32' 51" EAST 17.0 FEET;

THENCE SOUTH 89' 20' 48" WEST 2.79 FEET; THENCE SOUTH 07' 56' 32" EAST 113.40 FEET; THENCE SOUTH 89' 55' 42" WEST 79.52 FEET; THENCE SOUTH 37' 28' 41" EAST 146.33 FEET TO THE SOUTH LINE OF LOT 2 EXTENDED WEST BEING ON THE NORTH LINE OF 87<sup>th</sup> STREET; THENCE NORTH 89' 20' 48" EAST ALONG SAID EXTENSION 48.72 FEET TO THE POINT OF BEGINNING.

PINs:

20-33-305-025  
20-33-305-031  
20-33-305-032  
20-33-400-001  
20-33-400-002  
20-33-400-004  
20-33-400-005  
20-33-400-006  
20-33-405-001  
20-33-405-002  
20-33-405-004  
20-33-405-006  
20-33-405-007  
20-33-405-009  
25-04-200-023  
25-35-305-043

Commonly known as

An irregularly shaped parcel of approximately 50 acres, situated generally at the Southeast corner of 83<sup>rd</sup> Street and Stewart Avenue, in Chicago, Illinois

Exhibit B-1

Road Work Description

[Intentionally Omitted]

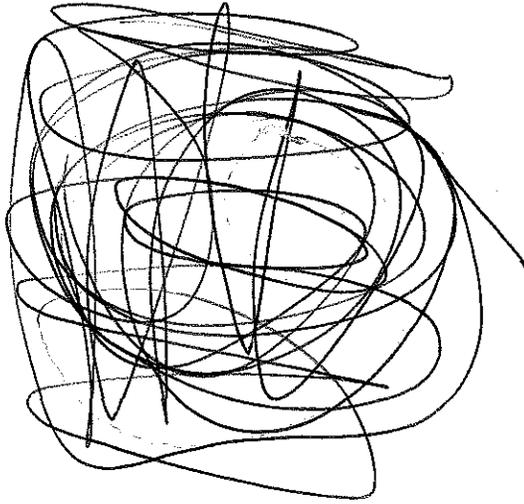


Exhibit C

TIF-FUNDED IMPROVEMENTS

<u>Item</u>	<u>Estimated Cost</u>
Site Assembly	\$15,865,000
Demolition, Site Preparation	7,748,331
Public Infrastructure	9,417,280
Engineered Barrier	4,418,124
Financing and Interest (30%)	1,648,742
Soft Costs Attributable to Eligible Hard Costs	<u>2,300,000</u>
Total TIF-Eligible Costs:	\$ 41,397,477*

\*Notwithstanding the total of TIF-Funded Improvements or the amount of TIF-eligible costs, the assistance to be provided by the City is limited to the amount described in **Section 4.03**.

Exhibit D

REDEVELOPMENT PLAN

[Intentionally Omitted]

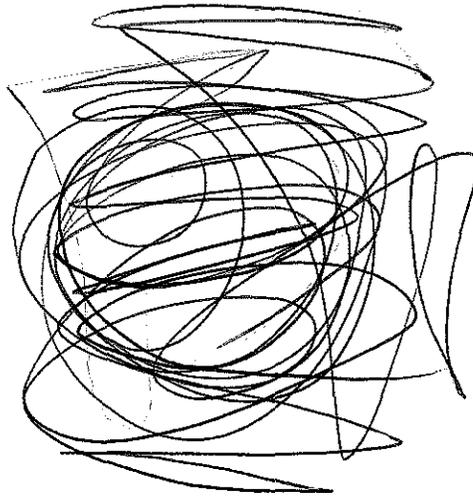


Exhibit E

CONSTRUCTION CONTRACTS

Demolition Contract

And

Environmental Remediation Contract

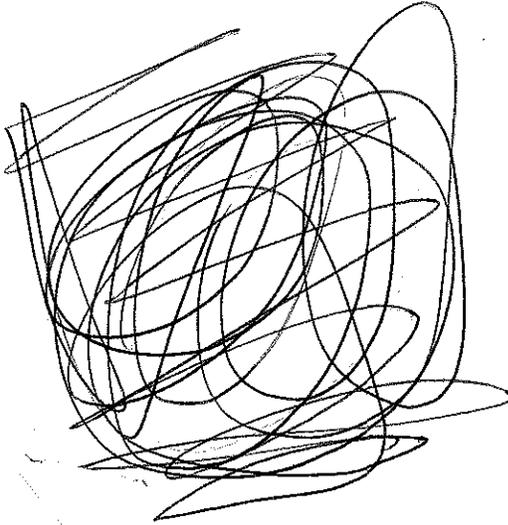
[Intentionally Omitted]



Exhibit F

ESCROW AGREEMENT

[Intentionally Omitted]



## EXHIBIT G

### PERMITTED LIENS

1. Liens or encumbrances against the Property:

Those matters set forth as Schedule B title exceptions in the owner's title insurance policy issued by the Title Company as of the date hereof, but only so long as applicable title endorsements issued in conjunction therewith on the date hereof, if any, continue to remain in full force and effect.

2. Liens or encumbrances against the Developer or the Project, other than liens against the Property, if any:

EXHIBIT H-1

PROJECT BUDGET

Project Activities	Costs
Land Acquisition	\$15,065,000
Demolition/Infrastructure	11,368,000
Hard Construction Costs (including Anchor Store)	45,000,000
Soft Costs	10,500,000
Total Project Cost	\$81,933,000

EXHIBIT H-2

MBE/WBE BUDGET

Demolition/Infrastructure	\$	11,368,000
Hard Costs	\$	45,000,000
Soft Costs	\$	<u>950,000</u>
<b>TOTAL</b>	<b>\$</b>	<b>57,318,000*</b>

MBE Budget = 57,318,000 X 24% = \$13,756,320

WBE Budget = 57,318,000 X 4% = \$2,292,720

\*The MBE/WBE Budget is based on the construction of the Anchor Stores and any improvements constructed by the Developer. Improvements constructed by ground lessees, purchasers of outlots and tenants are excluded.

EXHIBIT I  
APPROVED PRIOR EXPENDITURES

[Intentionally Omitted]

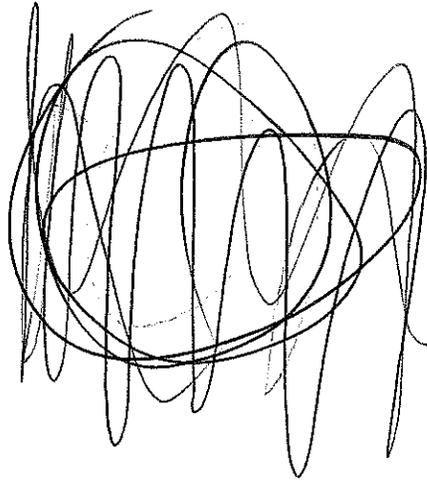


EXHIBIT J  
OPINION OF DEVELOPER'S COUNSEL  
[Intentionally Omitted]

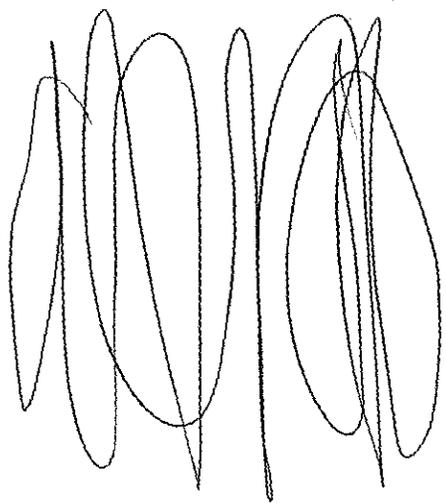
A large, illegible handwritten signature or scribble consisting of several overlapping, vertical, oval-like loops.

EXHIBIT K

**PROHIBITED USES**

[Intentionally Omitted]

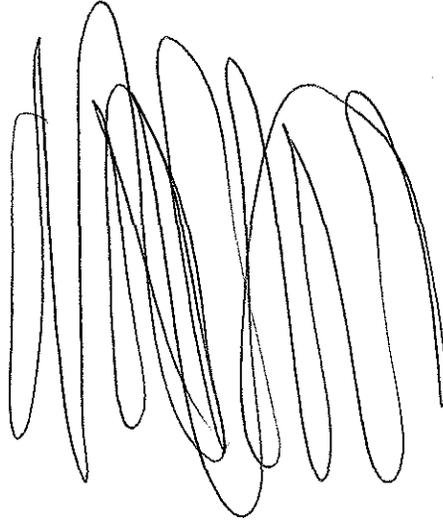


EXHIBIT L

REQUISITION FORM

[Intentionally Omitted]

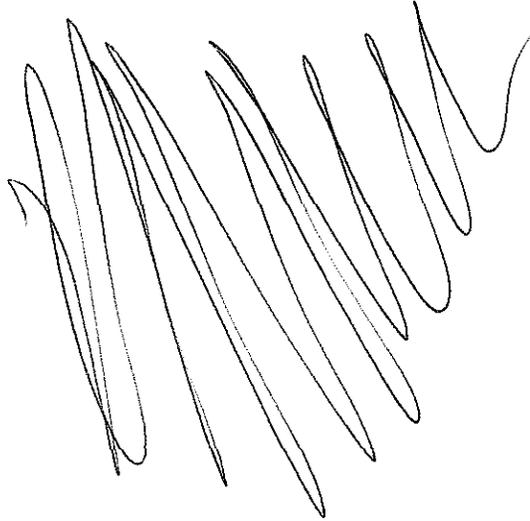


EXHIBIT M-1

**FORM OF TAXABLE CITY NOTE A**  
*Previously Issued*

REGISTERED  
NO. R-1

MAXIMUM AMOUNT  
\$24,287,000

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE NOTE  
(83RD/STEWART REDEVELOPMENT PROJECT AREA),  
TAXABLE SERIES 2006**

Registered Owner: W2005 CMK Realty, L.L.C.

Interest Rate: Annual rate equal to the median value of the 10-year Treasury rate published in the daily Federal Reserve Release for 15 business days prior to the date of issuance of City Note A plus 300 basis points, but in no event exceeding 9.0 percent

Maturity Date: February 22, 2028

**KNOW ALL PERSONS BY THESE PRESENTS**, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereinafter defined) in accordance with that certain Ordinance adopted by the City Council of the City on September 14, 2005 (the "Ordinance") and that certain W2005 CMK Realty, L.L.C. Redevelopment Agreement (the "Redevelopment Agreement") dated as of February 22, 2006

between the City and W2005 CMK Realty, L.L.C. (the "Developer") up to the principal amount of \$24,287,000 and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above. Interest shall be computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above and compound on December 31 of each year until paid. Principal of and interest on this Note are payable on February 1 of each year from Incremental Taxes (as defined in the Redevelopment Agreement) on deposit in the 83<sup>rd</sup>/Stewart Developer Account (the "Developer Account") established pursuant to the Ordinance.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Chief Financial Officer of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in fully registered form in the aggregate principal amount of advances made from time to time by the Developer up to \$24,287,000 for the purpose of paying or reimbursing the costs of certain eligible redevelopment project costs incurred by the Developer in

connection with the development of an approximately 362,000 square foot retail shopping center as further described in the Redevelopment Agreement (the "Project"), in the 83<sup>rd</sup>/Stewart Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and the Ordinance, in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of this Note. Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. **THIS NOTE IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AMOUNTS ON DEPOSIT IN THE DEVELOPER ACCOUNT, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE**

**PRINCIPAL OF OR INTEREST ON THIS NOTE.**

Except as set forth in the sentence following this, the principal of this Note is subject to prepayment, redemption and/or refunding (in whole or in part) without penalty (including, in the City's sole discretion, prepayment and redemption from sources other than funds on deposit in the Developer Account), all in accordance with the Redevelopment Agreement. Notwithstanding the foregoing, the principal of this Note may not be prepaid during any Lock-Out Period (as said term is defined in the Redevelopment Agreement).

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of five (5) business days next preceding mailing of a notice of prepayment or redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance provides.

Pursuant to the Redevelopment Agreement, the Developer has agreed to acquire and construct the Project and to advance funds for the incurrence under the TIF Act of certain eligible

redevelopment project costs related to the Project on behalf of the City. Such costs up to the amount of \$24,287,000 as determined and adjusted pursuant to the Redevelopment Agreement shall be deemed to be a disbursement of the proceeds of this Note, and the outstanding principal amount of this Note shall be increased by the amount of each such advance from time to time. The principal amount outstanding of this Note shall be the sum of advances made pursuant to certificates of expenditure ("Certificates of Expenditure") executed by the Commissioner of the Department of Housing and Economic Development (or his or her designee) in accordance with the Redevelopment Agreement, minus any principal amount paid on the Notes or other reductions pursuant to the Redevelopment Agreement. The City shall not execute Certificates of Expenditure with respect to the Notes that total in excess of \$24,287,000.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

**IN WITNESS WHEREOF**, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized manual or facsimile signature of the Mayor and attested by the duly authorized manual or facsimile signature of the City Clerk of the City, all as of

\_\_\_\_\_

\_\_\_\_\_  
Mayor

(SEAL)  
Attest:

\_\_\_\_\_  
City Clerk

**CERTIFICATE  
OF  
AUTHENTICATION**

Registrar and Paying Agent:  
Chief Financial Officer of the  
City of Chicago,  
Cook County, Illinois

This Note is described in the within mentioned Ordinance and is one of the \$24,287,000 Tax Increment Allocation Revenue Notes (83rd/Stewart Redevelopment Project Area), Taxable Series 2006, of the City of Chicago, Cook County, Illinois.

\_\_\_\_\_  
Chief Financial Officer

Date: \_\_\_\_\_

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_  
Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of this Note in every particular, without alteration or enlargement or any change whatever.

Consented to as of: \_\_\_\_\_

City of Chicago, Illinois

By: \_\_\_\_\_

Title: \_\_\_\_\_  
Department of Housing and Economic Development

EXHIBIT M-2

**INTENTIONALLY DELETED**

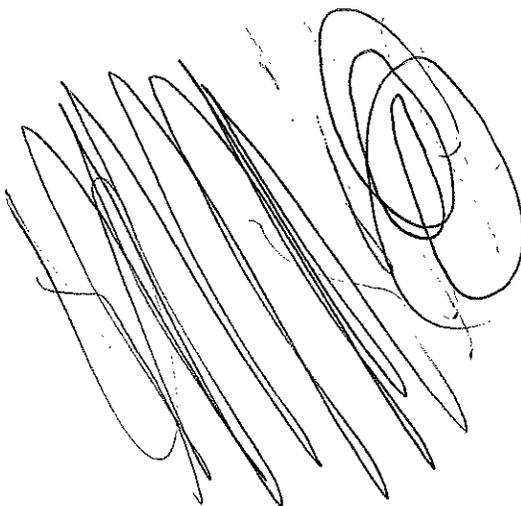


EXHIBIT M-3

FORM OF TAX EXEMPT CITY NOTE B

REGISTERED  
NO. R-1

MAXIMUM PRINCIPAL AMOUNT  
\$1,500,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE NOTE  
(83RD/STEWART REDEVELOPMENT PROJECT AREA),  
TAX-EXEMPT SERIES 20\_\_B

Registered Owner: W2005 CMK Realty, L.L.C.

Interest Rate: Annual rate equal to the median value of the BAA (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data for 15 business days before City Note B is issued plus 250 basis points, but in no event exceeding eight percent (8.00%) per annum.

Maturity Date: \_\_\_\_\_, 2028

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereinafter defined) in accordance with that certain Ordinance adopted by the City Council of the City on September 14, 2005, as amended by ordinances passed by the City Council of the City on June 11, 2008, July 28, 2010 and May 9, 2012 (collectively, the "Ordinance") and that certain Amended and Restated W2005 CMK Realty, L.L.C. Redevelopment Agreement (the "Redevelopment Agreement") dated as of \_\_\_\_\_, 2012

between the City and W2005 CMK Realty, L.L.C. (the "Developer") up to the principal amount of \$1,500,000 and to pay the Registered Owner or registered assigns interest on that amount (subject to adjustment as specified in the Redevelopment Agreement) at the Interest Rate per year specified above, computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above and compound on December 31 of each year until paid. Principal of and interest on this Note are payable on February 1 of each year from Excess Incremental Taxes, if any, on deposit in the 83rd/Stewart Developer Account (the "Developer Account") established pursuant to the Ordinance. Payments on this Note shall be made in accordance with the debt service schedule attached hereto.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Chief Financial Officer of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in fully registered form in the maximum principal amount of \$1,500,000 for the purpose of refunding in part the City's Tax Increment Allocation Revenue

Note (83rd/Stewart Redevelopment Project Area), Taxable Series 2006 issued in the principal amount of advances made by the Developer in the amount of \$\_\_\_\_\_ for the purpose of paying or reimbursing the costs of certain eligible redevelopment project costs incurred by the Developer in connection with the development of an approximately 362,000 square foot retail shopping center as further described in the Redevelopment Agreement (the "Project"), in the 83rd/Stewart Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and the Ordinance, in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the Note. Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is issued and secured. **THIS NOTE IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AMOUNTS ON DEPOSIT IN THE DEVELOPER ACCOUNT, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES.**

**THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF**

**THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE. THIS NOTE IS JUNIOR AND SUBORDINATE TO THE CITY'S \$12,000,000 MAXIMUM PRINCIPAL AMOUNT TAX INCREMENT ALLOCATION REVENUE NOTE (83RD/STEWART REDEVELOPMENT PROJECT AREA), TAX-EXEMPT SERIES 20\_\_-1 AND TO BONDS OR NOTES OF THE CITY ISSUED TO FINANCE OTHER PROJECTS IN THE PROJECT AREA, ALL AS PROVIDED IN SECTION 4.03 OF THE REDEVELOPMENT AGREEMENT.**

Except as set forth in the following sentence, the principal of this Note is subject to prepayment and redemption without penalty (including, in the City's sole discretion, prepayment and redemption from sources other than funds on deposit in the Developer Account), all in accordance with the Redevelopment Agreement. Notwithstanding the foregoing, the principal of this Note may not be prepaid during any Lock-Out Period (as said term is defined in the Redevelopment Agreement).

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of five (5) days next

preceding mailing of a notice of prepayment or redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance provides.

Pursuant to the Redevelopment Agreement, the Developer has agreed to acquire and construct the Project and to advance funds for the incurrence under the TIF Act of certain eligible redevelopment project costs related to the Project on behalf of the City. Such costs up to the amount of \$1,500,000 as determined and adjusted pursuant to the Redevelopment Agreement shall be deemed to be a disbursement of the proceeds of this Note, and the outstanding principal amount of this Note shall be increased by the amount of each such advance from time to time. The principal amount outstanding of this Note shall be the sum of advances made pursuant to certificates of expenditure ("Certificates of Expenditure") executed by the Commissioner of the Department of Housing and Economic Development (or his or her designee) in accordance with the Redevelopment Agreement, minus any principal amount paid on this Note or other reductions pursuant to the Redevelopment Agreement. The City shall not execute Certificates of Expenditure with respect to this Note that total in excess of \$1,500,000.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as

required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized manual or facsimile signature of the Mayor and attested by the duly authorized manual or facsimile signature of the City Clerk of the City, all as of \_\_\_\_\_.

\_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

**CERTIFICATE OF AUTHENTICATION**

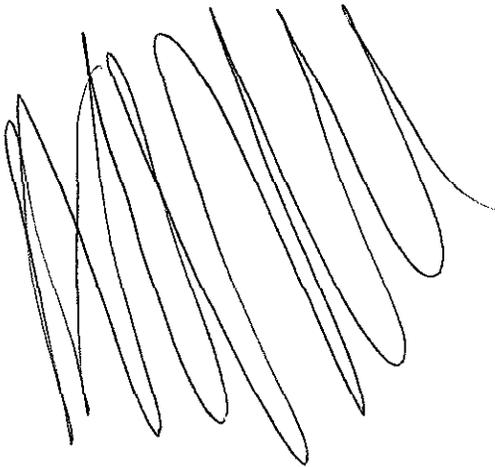
This Note is described in the within mentioned Ordinance and is the \$1,500,000 Maximum Principal Amount Tax Increment Allocation Revenue Note (83rd/Stewart Redevelopment Project Area), Tax-Exempt Series 20\_\_B, of the City of Chicago, Cook County, Illinois.

\_\_\_\_\_  
Chief Financial Officer

Date: \_\_\_\_\_

Registrar and Paying Agent  
Chief Financial Officer of the  
City of Chicago, Cook County, Illinois

DEBT SERVICE SCHEDULE

A large, dark, handwritten scribble consisting of several overlapping, vertical, wavy lines that obscure any text that might have been present in the center of the page.

(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note to \_\_\_\_\_ and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

\_\_\_\_\_  
Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Consented to as of: \_\_\_\_\_

City of Chicago, Illinois

By: \_\_\_\_\_

Title: \_\_\_\_\_  
Department of Housing and Economic Development

EXHIBIT M-4

FORM OF TAX-EXEMPT CITY NOTE 1

REGISTERED  
NO. R-1

MAXIMUM PRINCIPAL AMOUNT  
\$12,000,000

UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE NOTE  
(83RD/STEWART REDEVELOPMENT PROJECT AREA),  
TAX-EXEMPT SERIES 20\_\_-1

Registered Owner: W2005 CMK Realty, L.L.C.

Interest Rate: Annual rate equal to the median value of the BAA (municipal market data) G.O. Bond rate (20 year) as published by Thompson-Reuters Municipal Market Data for 15 business days before City Note 1 is issued plus 250 basis points, but in no event exceeding eight percent (8.00%) per annum.

Maturity Date: \_\_\_\_\_, 2028

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereinafter defined) in accordance with that certain Ordinance adopted by the City Council of the City on September 14, 2005, as amended by ordinances passed by the City Council of the City on June 11, 2008, July 28, 2010 and May 9, 2012 (collectively, the "Ordinance") and that certain Amended and Restated W2005 CMK

Realty, L.L.C. Redevelopment Agreement (the "Redevelopment Agreement") dated as of \_\_\_\_\_, 2012 between the City and W2005 CMK Realty, L.L.C. (the "Developer") up to the principal amount of \$12,000,000 and to pay the Registered Owner or registered assigns interest on that amount at the Interest Rate per year specified above, computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above and compound on December 31 of each year until paid. Principal of and interest on this Note are payable on February 1 of each year from Incremental Taxes (as defined in the Redevelopment Agreement) on deposit in the 83rd/Stewart Developer Account (the "Developer Account") established pursuant to the Ordinance. Payments on this Note shall be made in accordance with the debt service schedule attached hereto.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Chief Financial Officer of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

**This Note is issued by the City in fully registered form in the maximum principal amount of \$12,000,000 for the purpose of refunding in part the City's Tax Increment Allocation Revenue Note (83rd/Stewart Redevelopment Project Area), Taxable Series 2006 issued in the principal amount of advances made by the Developer in the amount of \$\_\_\_\_\_ for the purpose of paying or reimbursing the costs of certain eligible redevelopment project costs incurred by the Developer in connection with the development of an approximately 362,000 square foot retail shopping center as further described in the Redevelopment Agreement (the "Project"), in the 83rd/Stewart Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and the Ordinance, in all respects as by law required.**

**The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of this Note. Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to this Note and the terms and conditions under which this Note is issued and secured. THIS NOTE IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AMOUNTS ON DEPOSIT IN THE DEVELOPER ACCOUNT, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST**

**SAID SOURCES. THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE.**

**Except as set forth in the following sentence, the principal of this Note is subject to prepayment and redemption without penalty (including, in the City's sole discretion, prepayment and redemption from sources other than funds on deposit in the Developer Account), all in accordance with the Redevelopment Agreement. Notwithstanding the foregoing, the principal of this Note may not be prepaid during any Lock-Out Period (as said term is defined in the Redevelopment Agreement).**

**This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of five (5) business days next preceding mailing of a notice of prepayment or**

redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance provides.

Pursuant to the Redevelopment Agreement, the Developer has agreed to acquire and construct the Project and to advance funds for the incurrence under the TIF Act of certain eligible redevelopment project costs related to the Project on behalf of the City. Such costs up to the amount of \$12,000,000 as determined and adjusted pursuant to the Redevelopment Agreement shall be deemed to be a disbursement of the proceeds of this Note, and the outstanding principal amount of this Note shall be increased by the amount of each such advance from time to time. The principal amount outstanding of this Note shall be the sum of advances made pursuant to certificates of expenditure ("Certificates of Expenditure") executed by the Commissioner of the Department of Housing and Economic Development (or his or her designee) in accordance with the Redevelopment Agreement, minus any principal amount paid on this Note or other reductions pursuant to the Redevelopment Agreement. The City shall not execute Certificates of Expenditure with respect to this Note that total in excess of \$12,000,000.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

**It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.**

**This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.**

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized manual or facsimile signature of the Mayor and attested by the duly authorized manual or facsimile signature of the City Clerk of the City, all as of \_\_\_\_\_

\_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

**CERTIFICATE OF AUTHENTICATION**

This Note is described in the within mentioned Ordinance and is the \$12,000,000 Maximum Principal Amount Tax Increment Allocation Revenue Note (83rd/Stewart Redevelopment Project Area), Tax-Exempt Series 20\_\_-1, of the City of Chicago, Cook County, Illinois.

\_\_\_\_\_  
Chief Financial Officer

Date: \_\_\_\_\_

Registrar and Paying Agent  
Chief Financial Officer of the  
City of Chicago, Cook County, Illinois

M-1-26

**DEBT SERVICE SCHEDULE**

A large, illegible scribble or signature consisting of several overlapping, elongated loops and lines, centered on the page.

**(ASSIGNMENT)**

**FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note to \_\_\_\_\_ and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.**

**Dated: \_\_\_\_\_**  
**Registered Owner**

**NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of this Note in every particular, without alteration or enlargement or any change whatever.**

**Consented to as of:**

**City of Chicago, Illinois**

**By: \_\_\_\_\_**  
**Name \_\_\_\_\_**

**Title:**  
**Department of Housing and Economic Development**

EXHIBIT M-5

FORM OF TAXABLE CITY NOTE C

REGISTERED  
NO. R-1

MAXIMUM AMOUNT  
\$1,500,000

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF COOK  
CITY OF CHICAGO  
TAX INCREMENT ALLOCATION REVENUE NOTE  
(83RD/STEWART REDEVELOPMENT PROJECT AREA),  
TAXABLE SERIES 20\_\_C**

Registered Owner: W2005 CMK Realty, L.L.C.

Interest Rate: An annual interest rate equal to the median value of the Corporate BBB Bond Index Rate (20-year) as published by Bloomberg on the last business day prior to the date of issuance of City Note C plus 175 basis points, but in no event exceeding eight and one-half percent (8.5%) per annum.

Maturity Date: \_\_\_\_\_, 20\_\_

KNOW ALL PERSONS BY THESE PRESENTS, that the City of Chicago, Cook County, Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on or before the Maturity Date identified above, but solely from the sources hereinafter identified, the principal amount of this Note from time to time advanced by the Registered Owner to pay costs of the Project (as hereinafter defined) in accordance with that certain Ordinance adopted by the City Council of the City on September 14, 2005, as amended by ordinances passed by the City Council of the City on June 11, 2008, July 28, 2010 and May 9, 2012 (collectively, the "Ordinance") and that certain Amended and Restated W2005 CMK Realty, L.L.C. Redevelopment Agreement (the "Redevelopment Agreement") dated as \_\_\_\_\_, 2012

between the City and W2005 CMK Realty, L.L.C. (the "Developer") up to the principal amount of \$1,500,000 and to pay the Registered Owner or registered assigns interest on that amount (subject to adjustment as specified in the Redevelopment Agreement) at the Interest Rate per year specified above, computed on the basis of a 360-day year of twelve 30-day months. Interest on accrued but unpaid interest on this Note shall accrue at the Interest Rate per year specified above and compound on December 31 of each year until paid. Principal of and interest on this Note are payable on February 1 of each year from Excess Incremental Taxes, if any, on deposit in the 83rd/Stewart Developer Account (the "Developer Account") established pursuant to the Ordinance. Payments on this Note shall be applied first to accrued but unpaid interest and thereafter to principal.

The principal of and interest on this Note are payable in lawful money of the United States of America, and shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Chief Financial Officer of the City, as registrar and paying agent (the "Registrar"), at the close of business on the fifteenth day of the month immediately prior to the applicable payment, maturity or redemption date, and shall be paid by check or draft of the Registrar, payable in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books or at such other address furnished in writing by such Registered Owner to the Registrar; provided, that the final installment of principal and accrued but unpaid interest will be payable solely upon presentation of this Note at the principal office of the Registrar in Chicago, Illinois or as otherwise directed by the City.

This Note is issued by the City in fully registered form in the maximum principal amount of \$1,500,000 for the purpose of refunding in part the City's Tax Increment Allocation Revenue

Note (83rd/Stewart Redevelopment Project Area), Taxable Series 2006 issued in the principal amount of advances made by the Developer in the amount of \$\_\_\_\_\_ for the purpose of paying or reimbursing the costs of certain eligible redevelopment project costs incurred by the Developer in connection with the development of an approximately 362,000 square foot retail shopping center as further described in the Redevelopment Agreement (the "Project"), in the 83rd/Stewart Redevelopment Project Area (the "Project Area") in the City, all in accordance with the Constitution and the laws of the State of Illinois, and particularly the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) (the "TIF Act"), the Local Government Debt Reform Act (30 ILCS 350/1 et seq.) and the Ordinance, in all respects as by law required.

The City has assigned and pledged certain rights, title and interest of the City in and to certain incremental ad valorem tax revenues from the Project Area which the City is entitled to receive pursuant to the TIF Act and the Ordinance, in order to pay the principal of and interest of the Note. Reference is hereby made to the aforesaid Ordinance for a description, among others, with respect to the determination, custody and application of said revenues, the nature and extent of such security with respect to the Note and the terms and conditions under which the Note is issued and secured. **THIS NOTE IS NOT A GENERAL OR MORAL OBLIGATION OF THE CITY BUT IS A SPECIAL LIMITED OBLIGATION OF THE CITY, AND IS PAYABLE SOLELY FROM AMOUNTS ON DEPOSIT IN THE DEVELOPER ACCOUNT, AND SHALL BE A VALID CLAIM OF THE REGISTERED OWNER HEREOF ONLY AGAINST SAID SOURCES.**

**THIS NOTE SHALL NOT BE DEEMED TO CONSTITUTE AN INDEBTEDNESS OR A LOAN AGAINST THE GENERAL TAXING POWERS OR CREDIT OF THE CITY, WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION. THE REGISTERED OWNER OF THIS NOTE SHALL NOT HAVE THE RIGHT TO COMPEL ANY EXERCISE OF**

**THE TAXING POWER OF THE CITY, THE STATE OF ILLINOIS OR ANY POLITICAL SUBDIVISION THEREOF TO PAY THE PRINCIPAL OF OR INTEREST ON THIS NOTE. THIS NOTE IS JUNIOR AND SUBORDINATE TO THE CITY'S MAXIMUM PRINCIPAL AMOUNT \$12,000,000 TAX INCREMENT ALLOCATION REVENUE NOTE (83RD/STEWART REDEVELOPMENT PROJECT AREA), TAX-EXEMPT SERIES 20\_\_-1, TO THE CITY'S \$1,500,000 MAXIMUM PRINCIPAL AMOUNT TAX INCREMENT ALLOCATION REVENUE NOTE (83RD/STEWART REDEVELOPMENT PROJECT AREA), TAX-EXEMPT SERIES 20\_\_B AND TO BONDS OR NOTES OF THE CITY ISSUED TO FINANCE OTHER PROJECTS IN THE PROJECT AREA, ALL AS PROVIDED IN SECTION 4.03 OF THE REDEVELOPMENT AGREEMENT.**

The principal of this Note is subject to (i) reduction and (ii) prepayment and redemption without penalty at any time (including, in the City's sole discretion, prepayment and redemption from sources other than funds on deposit in the Developer Account), all in accordance with the Redevelopment Agreement.

This Note is transferable by the Registered Owner hereof in person or by its attorney duly authorized in writing at the principal office of the Registrar in Chicago, Illinois, but only in the manner and subject to the limitations provided in the Ordinance, and upon surrender and cancellation of this Note. Upon such transfer, a new Note of authorized denomination of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange herefor. The Registrar shall not be required to transfer this Note during the period beginning at the close of business on the fifteenth day of the month immediately prior to the maturity date of this Note nor to transfer this Note after notice calling this Note or a portion hereof for prepayment or redemption has been mailed, nor during a period of five (5) days next

preceding mailing of a notice of prepayment or redemption of this Note. Such transfer shall be in accordance with the form at the end of this Note.

This Note hereby authorized shall be executed and delivered as the Ordinance provides.

Pursuant to the Redevelopment Agreement, the Developer has agreed to acquire and construct the Project and to advance funds for the incurrence under the TIF Act of certain eligible redevelopment project costs related to the Project on behalf of the City. Such costs up to the amount of \$1,500,000 as determined and adjusted pursuant to the Redevelopment Agreement shall be deemed to be a disbursement of the proceeds of this Note, and the outstanding principal amount of this Note shall be increased by the amount of each such advance from time to time. The principal amount outstanding of this Note shall be the sum of advances made pursuant to certificates of expenditure ("Certificates of Expenditure") executed by the Commissioner of the Department of Housing and Economic Development (or his or her designee) in accordance with the Redevelopment Agreement, minus any principal amount paid on this Note or other reductions pursuant to the Redevelopment Agreement. The City shall not execute Certificates of Expenditure with respect to this Note that total in excess of \$1,500,000.

Pursuant to Section 15.02 of the Redevelopment Agreement, the City has reserved the right to terminate and suspend payments of principal of and interest on this Note upon the occurrence and continuance of an Event of Default, as defined in the Redevelopment Agreement. Such right shall survive any transfer of this Note by the Registered Owner.

The City and the Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and for all other purposes and neither the City nor the Registrar shall be affected by any notice to the contrary, unless transferred in accordance with the provisions hereof.

It is hereby certified and recited that all conditions, acts and things required by law to exist, to happen, or to be done or performed precedent to and in the issuance of this Note did exist, have happened, have been done and have been performed in regular and due form and time as required by law; that the issuance of this Note, together with all other obligations of the City, does not exceed or violate any constitutional or statutory limitation applicable to the City.

This Note shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Registrar.

IN WITNESS WHEREOF, the City of Chicago, Cook County, Illinois, by its City Council, has caused its official seal to be imprinted by facsimile hereon or hereunto affixed, and has caused this Note to be signed by the duly authorized manual or facsimile signature of the Mayor and attested by the duly authorized manual or facsimile signature of the City Clerk of the City, all as of \_\_\_\_\_

\_\_\_\_\_  
Mayor

(SEAL)

Attest:

\_\_\_\_\_  
City Clerk

#### CERTIFICATE OF AUTHENTICATION

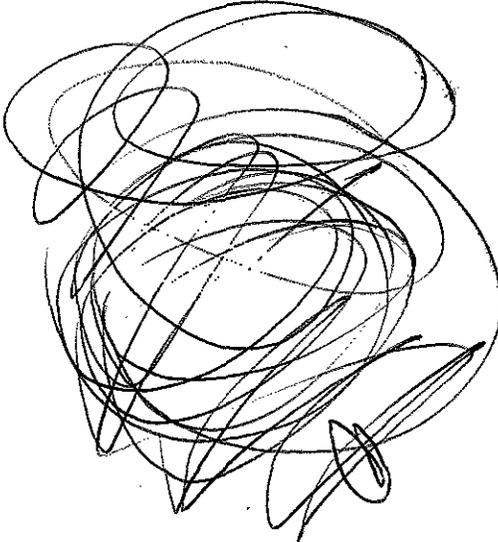
This Note is described in the within mentioned Ordinance and is the \$1,500,000 Maximum Principal Amount Tax Increment Allocation Revenue Note (83rd/Stewart Redevelopment Project Area), Taxable Series 20\_\_C, of the City of Chicago, Cook County, Illinois.

\_\_\_\_\_  
Chief Financial Officer

Date: \_\_\_\_\_

Registrar and Paying Agent  
Chief Financial Officer of the  
City of Chicago, Cook County, Illinois

DEBT SERVICE SCHEDULE



(ASSIGNMENT)

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto the within Note to \_\_\_\_\_ and does hereby irrevocably constitute and appoint attorney to transfer the said Note on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_  
Registered Owner

NOTICE: The signature to this assignment must correspond with the name of the Registered Owner as it appears upon the face of the Note in every particular, without alteration or enlargement or any change whatever.

Consented to as of: \_\_\_\_\_

City of Chicago, Illinois

By: \_\_\_\_\_

Title: \_\_\_\_\_  
Department of Housing and Economic Development

EXHIBIT N

FORM OF SUBORDINATION AGREEMENT  
[Intentionally Omitted]

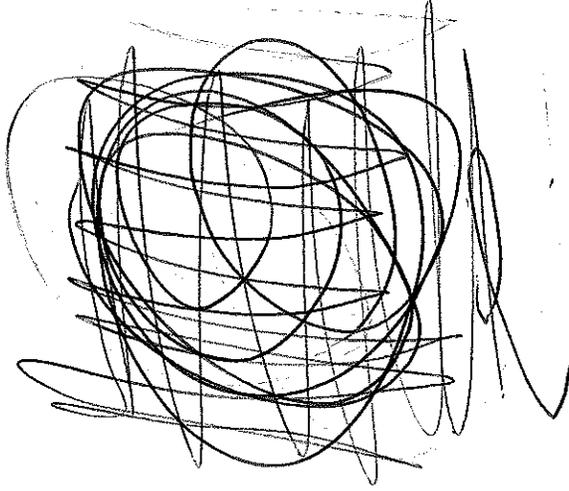


EXHIBIT O  
FORM OF PAYMENT BOND

[Intentionally Omitted]

